



TRANSCRIPT

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of
First Farm Bill Forum
With Agriculture Secretary Mike Johanns
And Orion Samulson RFD-TV Studios
Nashville, Tennessee - July 7, 2005

ORION: Ladies and gentlemen, the United States Secretary of Agriculture Mike Johanns. (Music playing)

Thank you all very much for that warm welcome tonight, and welcome to the RFD-TV studios in Nashville where we have a standing room only crowd tonight, and what a great way to get started. And we are about to hear the pledge of allegiance as we welcome a member of the 4-H, a member of the FFA in Tennessee, Emily and Andy, accompanied here by the Wilson Central High School Navy Junior ROTC. So ladies and gentlemen, would you please rise as we are led in the Pledge by 4-H and FFA members?

(Pledge of Allegiance is given in unison.)

ORION: And now performing our National Anthem, country music superstar Mark Wills.

[National Anthem is performed]

[Applause.]

ORION: Thank you very much. What a great way to start a very special evening here at the RFD-TV studios in Nashville. In many ways it's a history-making event where the Secretary of Agriculture of the United States wants to hear your vision of what a farm policy should be in the years to come. And we are indeed honored to have the Secretary here with us tonight. And to those of you in our studio audience, we'll be asking for your comments, and they will take place from two microphones located to my right and to my left.

And to those of you listening throughout North America and watching throughout North America, we will look forward to hearing your comments by telephone. We have a fair amount of time set aside tonight to hear your vision and to hear from you on what farm policy should look like in the future.

And what an honor it is to have the Secretary of the Agriculture Mike Johanns conducting the first listening session or the first Farm Bill Forum as we're calling it. And it's nice to have you here tonight. And if I may, just a word or two.

SEC. JOHANNNS: Thank you, Orion. Please.

ORION: About the Secretary of Agriculture. I'm not going to focus on his political lifetime or his political career. We know of course that he was mayor of Lincoln, Nebraska, and governor of Nebraska. Two numbers I think are important to you-- 38. You were the 38th governor of Nebraska.

SEC. JOHANNNS: Yes.

ORION: And 28. You're the 28th Secretary of Agriculture here in the United States.

SEC. JOHANNNS: You've done your homework! That's really impressive Orion.

ORION: Well, I try. But more importantly to me and to many of you in this crowd because I grew up on a dairy farm milking cows-- and that's what I like about this gentlemen -- he grew up on a farm milking cows, member of 4-H, member of the FFA. And I've worked with Secretaries going back to the Eisenhower administration-- Ezra Taft Benson. And each Secretary brings a special talent. And in the few short months that we have worked together, there are many talents you bring; but one of the best is listening. You do listen. And that's what you're here to do tonight.

So ladies and gentlemen, once more, a warm welcome to Secretary of Agriculture Mike Johanns.

[Applause.]

SEC. JOHANNNS: Thank you. Thank you very much. Well, thank you very much for that very wonderful introduction Orion. I appreciate it immensely. And ladies and gentlemen, thank you for being here. What a great crowd, standing room only. This is so impressive.

I also want to say thanks to Mark Wills. What a great rendition of the National Anthem. I was very, very impressed with that.

You know, tonight is an opportunity not only to talk about farm policy but maybe at the start of my comments to offer just a moment of reflection if I could. I stand there saluting the flag during the National Anthem, and I think of so many things we have to be thankful for.

And today I also think of the people in England who are really suffering because

of the events this morning, the pain that has been inflicted upon that nation. And I know I speak for everyone when I say that our thoughts and our prayers go out to them. We know what it's like to have suffered this pain back on 9/11. So they are in our prayers.

With that, I would like to welcome some dignitaries that are with us. Commissioner Ken Givens from Tennessee. Ken, thank you for being here. Commissioner Odom from Louisiana; we're glad to have you here, Commissioner. And Commissioner Ron Sparks from the great state of Alabama, we're glad to have you here.

This is also a special evening for me. I travel a lot, oftentimes without family of course, with staff but without family. But tonight I have a very special person sitting right there in the front row, and that is my wife Stephanie. So it's great to have Steph here.

[Applause.]

I also want to say thank you to our host tonight, RFD-TV. What a great operation! They have rolled out the red carpet and just showed us a great time here. And probably most importantly I'm thrilled to be here in Nashville for the kickoff of this nationwide Farm Bill Listening Tour.

I will tell you, ladies and gentlemen, though that I'm not the only one that is excited about this tour. I bring greetings from a great friend of agriculture, President Bush. Now he reduced his thoughts here to a letter that I would like to read to you.

"Dear Friends: I send greetings to all those gathered in Nashville for the first Farm Bill Forum. Many thanks to my good friend Secretary Mike Johanns for hosting this important event."

He goes on to say, "America's farmers and ranchers are among the first and the best stewards of our land, providing a healthy, safe and abundant food supply for our nation and for people around the world. Your success is essential to America's prosperity, and the Farm Bill Forum is an opportunity to discuss ways to strengthen this crucial part of our economy and way of life.

"My administration is committed to supporting farmers and ranchers. In order to make sure farms stay within our farming families, we must eliminate the death tax. To keep agriculture strong we need to continue to open new markets abroad; and to level the international playing field we must pass new trade initiatives such as the Central American Dominican Republic Free Trade Agreement.

"I appreciate participants for sharing your ideas and experiences and for your commitment to this industry. Your contributions are an important step toward ensuring that our farmers and ranchers have the tools that they need to succeed. Our farming and ranching communities embody the values of hard work, faith and love of family that have long made this country strong.

"Laura and I send our best wishes. May God bless you and may God continue to bless America."

Signed, The President of the United States, George W. Bush.

[Applause]

Now ladies and gentlemen, the President and I realize you have tremendous insight into the impact that policies drawn up in Washington have. In my confirmation hearing I said this: Policymakers must fiercely guard against the notion that all good ideas are conceived in government offices. And I meant that.

I'm here tonight to listen to your comments. The Farm Bill impacts America's entire ag community. No one is left out in terms of the impact. So the entire community should have a say in what the Farm Bill is all about.

Policies must also keep pace with an evolving industry. Literally every year if not every day there are changes in products and tools and changes in our communities. Orion mentioned that I grew up on a farm near a community called Osage, Iowa. It is much different place today 50 years later. It was a privilege for me to grow up there, but I believe very strongly that future generations deserve the same opportunity.

Therefore I believe the single most important consideration is to look at these young people that are seated here tonight and to ask ourselves, our generation, how do our policies impact those future generations?

Young people, I have found as I have traveled this country, are eager to become a part of the proud tradition of American agriculture. Are we making a place for them? Are our policies clearing a pathway for their future, for their success?

And that pathway must also include a commitment to strong communities. Ladies and gentlemen, I can tell you from firsthand experience Rural America is a remarkable place. One of the great things about this Farm Tour is I get to tout what a great place Rural America is and the impact that it has had on our nation.

It's a place where neighbors care for each other. It's a place where we can impact the quality of our lives. It's a place where we can care for our land, where young people can learn a work ethic, discipline, commitment to purpose. It's a place where the values that this nation was founded upon very much exist.

I envision a very vibrant rural America, but our policies have to help to make that vision a reality. Well tonight is the first step in addressing new policy.

I'm also pleased to announce tonight the next round. The next stop is in the Midwest, July 26, the North Dakota State Fair; August 3rd, the Minnesota Farm Fest, and

August 4th the Wisconsin State Fair. Now we'll continue to roll these tours out and stay in touch with us by reviewing our website. USDA.GOV will provide you with information.

We'll go to the West Coast in mid-August, but I also want you to know that we are absolutely committed to visiting every region.

Now some of our forums I should explain will be dedicated to other programs that are authorized by the Farm Bill. We expect several specialty forums, if you will, to deal with issues like food and nutrition which again are a part of the authorization in the Farm Bill.

USDA is going to be all across this nation, and then we're going to put your advice to work.

I want to start tonight and tell you that I begin this tour with an open mind. I've got no preconceived notions as to where this should start, where this Farm Bill should end. We can't cover farm policy in four hours although that's a rather lengthy forum. So we're going to focus on some questions that we put out some weeks ago when I spoke to the FFA students in Illinois.

The first thing is that we need to think about this next generation of farmers. Our policy should welcome that next generation. But do we have unintended consequences? Some economists have argued that what we have done is capitalized the value of farm programs, the dollars if you will, in cash rents and land values that make it impossible for these young people to farm and make it impossible for the little guy to get in the business or to stay in the business.

So the question we pose, the first one and I'll go through the others, Orion, before I turn it back over to you, is how should farm policy address any unintended consequences and ensure that such consequences do not discourage the next generation of farmers from entering production agriculture?

The second area is in the area of competitiveness. We must remain competitive not only in the domestic but in the global marketplace. I'll share two statistics with you; 27 percent of U.S. farm cash receipts come from the global marketplace. Over one-fourth of our cash receipts come from the export market. And 95 percent of the world's population doesn't live in the United States; they live outside of the United States. And that's our customer base for that 27 percent, not only today but for the generation that is here in the front seats.

So the question is, how should farm policy be designed to maximize U.S. competitiveness and our country's ability to effectively compete in those global markets?

The third area relates to the benefits themselves, the distribution of farm program benefits. Is it the most effective? Benefits should stabilize farm prices and incomes.

The current programs distribute assistance based on past and current production levels, and some have argued that these programs favor the larger farms. So the question we pose is, how should farm policy be designed to effectively and to fairly distribute the assistance that is detailed in the farm program?

The next area is that rural economic growth that we speak of so often. I mentioned the town that I grew up in. All of us can bring back the memory of the rural community that we lived near or in. So the fourth question relates to rural economic growth. Farming and Rural America were once synonymous; they went hand in hand. The demographic and economic characteristics have dramatically changed.

Some suggest that as a part of our investment we should do all we can to invest in the infrastructure of Rural America, to bring new technology there, to give those smaller rural communities the opportunity to compete in this global marketplace.

So the question we pose is, how can federal, rural and farm programs provide effective assistance in Rural America? Conservation has been a growing part of farm programs, and it's our fifth focus, protecting our environment. Ladies and gentlemen, I believe very strongly based upon my years on the farm that farmers are the first and they are the very best stewards of our land.

Agriculture plays a major role in managing our natural resources and protecting them for future generations. Some suggest anchoring farm policy around some tangible benefits environmentally-- cleaner water, cleaner air. The question we pose then is, how can farm policy best achieve conservation and environmental goals?

And then the final area that we will look at is the expansion of ag markets, products, and research.

The development of new products, markets and research is all about agriculture changing every day. Some say our policies need to do more to aid this development. So the question is, how should ag products, marketing and research be addressed in our next Farm Bill?

Just a couple final thoughts, and then I'll turn it back to Orion. We are focusing on these six questions to better analyze the feedback. I strongly urge you after this forum to get on our website. It is a great website; it is a way for you to stay in touch with what we are doing in these forums and to also offer your written comments.

But we'd received those by mail also.

My message as I wrap up tonight is for the young people that are here. You really are the reason for this listening tour. We hope that the ideas and advice we receive throughout the next months help to pave the way for your future success. It wasn't that long ago that I wore that blue jacket. You are the reason that I am here, but you're also the reason that the President of the United States encouraged me, asked me to conduct

this Farm Bill Tour. By beginning now, sending a message that we take our responsibility to you with the utmost seriousness, I believe we can build the farm policy that will serve your generation.

So with that, I am here to hear your thoughts and to listen.

Orion, take it away. I'm going to have a seat.

ORION: Good. Let's sit on the front porch of Rural America and get ready to hear from people. And let me go over the format for just a minute tonight if I could.

The questions you have heard have been posed, and over the next several hours we will be asking you to comment on the questions raised by the Secretary here in our national studio-- as well as all of you across the country. And again, for those of you who are in your homes here is the telephone number that will get you into our studios. It's 1-866-547-9696. That's 1-866-547-9696. And you'll not be recorded. You'll be live. So once you throw it out there, you can't take it back, so give it some thought.

Now, this is important because --

SEC. JOHANNIS: Orion, why didn't you advise me of that when I started this job? (laughs)

ORION: I learned the hard way when I started. It's not like writing and then erasing it. Once it's out there, it's gone.

This one is important-- two minutes is the allotted time for your comments and feedback. And that's important because we want to give as many of you the opportunity to present your thoughts as we can here in the studio and across the country. And so we've even got traffic lights. Can you believe it? If you look at the bottom right of your television screen when we get to the phone calls you will see red, yellow and green. When you see the yellow, you know you're about 30 seconds away. And when you see the red, I'm just going to stomp on you. Okay? Because your time will be up.

Now, for longer comments here's a way for you to do that. The Secretary mentioned the website. It is the USDA.GOV/Farmbill -- WWW.USDA.GOV -- that's GOV not GUV you like to do-- and then /FARMBILL.

But if you prefer writing to the Secretary, and some of the best letters I get are longhand on notebook paper that I get from farmers across the country --

SEC. JOHANNIS: Yes.

ORION: And if that's the way you want to do it, then we'll be showing you the mailing address on the screen as well. So without further ado, it's time to go. And those of you who come to the microphone, will you tell us who you are and where you're from?

And since your first question dealt with the younger people, I know there's students from the FFA and the 4-H who have been waiting to provide our first two comments tonight. And that is only in light of the question, the first one posed, and let me repeat:

"How should farm policy address any unintended consequence and ensure that such consequences do not discourage new farmers and the next generation of farmers from entering production agriculture?"

So who's first? Where are you? All set? Okay. Microphone is right there. Wearing the blue FFA, says "Tennessee on the back."

SEC. JOHANNIS: Yes, it does.

ORION: And you are?

HEATHER MCLAIN (sp): I'm Heather McLain, and I'm state president of Tennessee FFA Association. And first I would like to express the appreciation to the Department of Agriculture for all the support you've given FFA and agricultural science education throughout the years.

One answer to the question of how to maximize U.S. competitiveness and our country's ability to effectively compete in global markets will boil down to this. Invest in the future.

How will this enhance our competitiveness? Consider the following. FFA agricultural science education, are introducing the best and brightest students to over 300 careers in agriculture. Almost half a million FFA members each year are pursuing careers in agricultural industry. To remain competitive, American agriculture needs leaders who set direction, influence others, create teamwork and manage communication.

Today's FFA programs offer what may be the best culmination of personal, academic and career development available in public education. Ensuring FFA and agricultural science education can keep American agriculture competitive raises three questions.

First, how can the Department of Agriculture through the Farm Bill help ensure agricultural science education programs have the latest in technology, equipment and instructional materials to prepare our next generation of agriculturalists?

Second, how can the department help recruit to prepare agriculture teachers who are the key to training tomorrow's agricultural workforce?

Finally, how can the USDA extend its partnership with FFA and agricultural science education to support rural economic and needs development?

As we say in the FFA creed, "I believe in the future of agriculture." As FFA

members, we look to our government and business leaders to provide a vision and direction for our nation. Future generations should know that those who crafted this Farm Bill address not only the critical issues of today but they also invested and prepared wisely for the future.

Mr. Secretary, I thank you for your time and for the gracious invitation to appear here tonight. I wish you the best of success in your deliberations on the next Farm Bill.

SEC. JOHANNIS: Thank you. Great job.

ORION: Thank you, Madam President.

[Applause.]

ORION: And our 4-H spokesman, front and center to the microphone please. It's time to hear from the 4-H in response to the first question we're discussing tonight. Young man, you are?

TYLER BOYD: I'm Tyler Boyd. I'm the 4-H governor for Tennessee, and from Cocke County, Parrottsville.

ORION: Welcome.

TYLER BOYD: Thank you, sir. Good evening, Mr. Secretary, and welcome to Tennessee. Visit any major city, town, community or home in the nation and try to find a single person whose life is not touched by agriculture on a daily basis. The task would be impossible. It is with little doubt that the 2007 Farm Bill will affect all Americans. With the ever-changing face of agriculture, the importance of this legislation cannot be overlooked. As Americans agricultural production systems continue to experience changing demographics and become even more sophisticated, it is important to consider the impacts of future legislation on future generations.

The Farm Bill should be mindful of the changing demographics of America's young farmers and ranchers and provide them with the knowledge, skills and tools to ensure a safe and sustainable food supply. Programs that reach out to and educate the public, particularly youth, will become even more important in maximizing the United States' ability to compete in global markets.

In addition, our food and fiber must be produced in a manner that protects and enhances our environment to ensure that future generations will have access to abundant natural resources to feed and clothe their families.

4-H, the U.S. Department of Agriculture, and Cooperative Extension Systems nationwide kindergarten to 12th grade youth development program is celebrating its 130th year in 2005. 4-H is the largest nonformal U.S. youth development program in the country engaging nearly 7 million youth annually. The 2007 Farm Bill must expand

Extension's role in developing the next generation of agriculture leaders.

Cooperative Extension provides leadership in areas of critical concern for the people of the United States. These programs bring the resources of Cooperative Extension together to provide information, research, education and assistance to families and communities. Such critical issues include managing change in agriculture, food safety and quality, workforce preparation, healthy people/healthy communities, and childcare. Cooperative Extension will be a key player in maximizing our country's competitiveness in global agricultural markets.

Cooperative Extension emphasizes helping people improve their livelihood where they are located. Extension staff are supported by area and state faculty as well as by the educational and research resources and activities of the United States Department of Agriculture, 105 Land Grant Universities, and 3,150 county units throughout the nation.

The stated mission of the system is to help people improve their lives through an educational process that uses scientific knowledge to address issues and needs, so the continued financial support of this educational endeavor must be sustained and expanded through the 2007 Farm Bill. Through the continued support of Cooperative Extension and thus the 4-H Youth Development Program in the 2007 Farm Bill future generations will be more effectively able to compete in global markets. The motto of the 4-H Youth Development Program is, "To Make the Best Better." The hope is that the 2007 Farm Bill will do just that, make the best country in the world even better.

Thank you.

ORION: Thank you.

[Applause.]

ORION: Before we go to the telephones, we're going to give the opportunity to members of our audience here in Nashville to come up to the microphone, and then we will go to the telephone. And again the number is 1-866-547-9696 for those of you who want to participate by telephone.

I think it's encouraging, Mr. Secretary, to see young people with that much studying in-depth of what we're looking for in farm policy.

SEC. JOHANNIS: I am so impressed with these young people. You did a great job. I could not be more proud of you. Bright and articulate. Orion, I think when I was that age I was off doing something else. I wasn't doing that. So great job.

ORION: It's a little scary when you see what they're able to do at that age because you're right, I was probably fishing or something like that.

SEC. JOHANNIS: (laughs) Exactly.

ORION: We have a gentlemen in the studio audience, and you are?

DR. STEPHEN SMITH: My name is Dr. Stephen Smith (sp), and I'm from Knoxville, Tennessee.

ORION: Welcome.

DR. SMITH: Thank you very much. I wanted to thank the Secretary for coming to Nashville. We always appreciate your presence. And I wanted to ask a little bit about the -- you have a whole series of questions, and I think my comments actually go to all of those. Many of us believe that with oil approaching at \$60 a barrel and could go as high as \$100 and the rising cost of natural gas affecting fertilizer prices and energy policy and farm policy are inexorably linked. And it's very important -- many of us feel that agriculture could play a very key role in energy policy in this country.

There are a whole host of ways. Many of us believe that agriculture could contribute as much as 25 percent of our energy needs. And so as you know, the Farm Bill has a title, an energy title. And that title could be expanded -- I think it's 9006. And I think this year it's actually fully funded at about \$22 million or something along that line.

But in many ways that's woefully inadequate because we can see ethanol, biodiesel, all types of things really taking off. And they would actually provide a whole host of opportunities for the transportation sector and help us wean off some of the dependence for foreign oil.

And so in many ways my comments are directed at encouraging you and this Farm Bill to really get serious about how to expand that title and have agriculture play more of a leading role, not affecting food and fiber prices because I think there is enough capacity in this country to where agriculture could really become a major workhorse in the energy sector.

And so I would strongly encourage that expanding the 9006 title of the Farm Bill and really getting serious about letting the agriculture community play a leading role --

ORION: With that, your time is up, sir. Going to have to take you down, but thank you for your comments.

DR. SMITH: Thank you.

[Applause.]

ORION: Thank you. And again, while I guess everything we talk about affects the impact on young people going into agriculture that is the focus during our first half hour here.

And we're going to the telephone right now. We have Michael from Alabama checking in. Michael, what town in Alabama?

MICHAEL: I'm in Lawrence County, Alabama.

ORION: And your comments for the Secretary?

MICHAEL: My comment for the Secretary is, how is the Secretary going to address the discrimination that's involved in the USDA? I been a victim of discrimination. Following the settlement agreement they failed to follow the settlement agreement, killed my cows, put me in jail. I been the victim for years.

SEC. JOHANNNS: Orion, if I might just jump in. Just a couple of years ago when the last Farm Bill was passed the Congress created a Civil Rights Office at the USDA. I don't know the exact circumstances of this gentleman, but what I would like him to do is get in touch with me either directly you know on the phone or whatever and we'll get him in touch with the right people to see if there's some way we can help.

And those kinds of calls, that's really the best way of dealing with that.

ORION: Right.

SEC. JOHANNNS: Always willing to listen but kind of anxious to hear about the Farm Bill during these forums. But if a person has a specific USDA issue like that gentleman's, call me, write me, send me an e-mail so I can get somebody assigned to deal with that specific problem.

ORION: Okay.

SEC. JOHANNNS: All right.

ORION: And we're going to try to deal with the subject of the question during this time, so if you're calling or wanting to make comments here in the audience let's talk about the future for young people. And that's why I see an FFA lady standing over here at the microphone. And so let's hear from you. Who are you?

SAMANTHA COBB: Samantha Cobb from the Lincoln County FFA Chapter. And I have an issue dealing with the very first question about our next generation of farmers. And I can think of two unintended consequences.

The first is, the death tax. And the second is, the recent legislation that was passed by our Supreme Court Kelo (sp) versus New London. Both of these take farmland from our next generation of farmers. Honestly, why would you want to buy into farming and buy farmland when it can simply be taken away from you?

I think that needs to be dealt with in our new Farm Bill.

[Applause and cheers.]

ORION: Thank you very much. That's my editorial this week on U.S. Farm Report because we've talked a lot about the taking of land.

SEC. JOHANNIS: A huge issue, and again so articulate. I will -- she mentioned the death tax. It's something this administration is absolutely committed to and that's putting a death tax on the death tax. So this President is really led in that effort, and I see this generation and we want to transfer the land to them. We don't want to send more money back to Washington. So that's very important. The Kelo case, oh boy, it has gotten everybody's attention.

ORION: At least Congress is saying they're going to do something.

SEC. JOHANNIS: Yeah. Congress is stepping in. So two really good comments, two futuristic comments. So.

ORION: All right. We're going out to the Big Sky Country of Montana. And sign in, please. Who are you, and where in Montana?

ALFRED SCHMIDT: I'm Alfred Schmidt (sp), and I'm in Valley County, Montana, northeast corner.

ORION: Welcome to the Farm Bill Forum. And what's your comment for the Secretary?

MR. SCHMIDT: Thank you very much for taking my call. I've been farming for about 40 years out here now, and things have not gotten much better. And I look at, we researched a lot here concerning the economy of the United States. And what we've discovered is that there's a direct relationship to the lack of raw material wealth in relationship to the national debt and other debt. And we researched this quite thoroughly, and if you want to take a good look at exports you say we export about 27 percent-- if we export our commodities at a loss, doesn't that hurt our economy?

And then if you take and look at the parity price index which USDA prints every day in relationship to that and our debt there's a direct relationship to the loss of money that was not circulated by agriculture and the national debt.

Now we research a lot on this, and our idea is that if we can come up with a plan where we use our domestic usage of all ag products and place them at a higher rate of parity, maybe let's say 60 or 70 percent, then we can possibly pay part of our national debt back, we can circulate a whole bunch of new money into the system, and we think we can start paying part of the national debt back. That's my promise.

ORION: Okay.

MR. SCHMIDT: I have a whole plan, and I'm going to keep working on it.

ORION: All right, sir. Your two minutes is up, but send the plan to the Secretary.

SEC. JOHANNIS: Please do. Be anxious to receive it. And I promise you we'll take a good look at it. Please send it to us.

ORION: All right. Well let's go to another gentleman here in the studio. You are?

JOE ELLIOT: Joe Elliot (sp). I'm a full-time farmer from Adams, Tennessee. You know, the best way to assure, to get young people doing agriculture is for them to have some kind of belief and assurance that with hard work and good management and a little luck that they can make a profit from their endeavors.

Mr. Secretary, you hit in your opening remarks on one thing that is really been a trouble for young people. And it's a lot of the rural development policy, state and national, by well-meaning groups, have enticed our well-meaning urban brethren to move to a rural city. That's called Rural Development. It does a lot of things detrimental to the future.

Taking land out of agriculture, driving the value of land up, not being real wise with our energy needs. True rural development, if you make farming profitable you'll have rural development.

One thing in the future that really bothers me about young people's opportunity is, we have so much technology, it's moving so fast and changing, they're having problems just getting this out to people in rural areas or there's a little problem there. One of them is, you know our Extension Service was founded by act of Congress that said to deal with families in production agriculture.

-- and they have lost funding.

ORION: You're almost out of time.

MR. ELLIOT: I know. They have lost funding, and we have to do a better education process and remember what William Jennings Bryan said, burn down your cities and they will grow with life anew; tear down your farms and the cities will wither and die.

ORION: Thank you, sir. Thank you.

[Applause.]

ORION: And another gentleman here in the studio. You are?

MR. BOB WILLIS: I am Bob Willis. I am from Coffee County, which is southeast of here down Manchester way.

ORION: Okay.

MR. WILLIS: I'm a crop and a livestock farmer. You know, on the number one question, which is what you asked for us to comment on, and since you have the young people here it's very appropriate. Of course the death tax goes a long way if it is a family business and the child is in that family. Of course I'm very fortunate to have a son here and in the family, so I'm looking forward to the death tax. But we have young people that would love to go into agriculture, and I suppose it's true in the rest of the country, I know it's true in this area-- our land values have gone up so tremendously in this area -- Mr. Elliot maybe touched on the part of the problem over there. Far as what I think you're asking for suggestions, it would almost have to be in some form of a tax rebate to say a farmer if he wanted to turn it over to a young person in that line or possibly a low interest loan to these young people that aren't born into a farm family or that farm family possibly doesn't have the resources that they are born into to be competitive.

You know I'm sure it's -- I don't know what you do. You know we're in what we call the Walmartization of agriculture. And it is going to make it very difficult for a plan of this sort for, to go forward. But when you think about this country and how it's founded and what the rural families in America have done for this country and what they mean, some emphasis needs to be put toward that. That's my comment.

ORION: Thank you very much, sir, for your comments tonight.

[Applause.]

ORION: Before we go back to a studio question, we're going by telephone out to the state of Iowa. And Anita, tell us who you are and where you're located in Iowa. Hello, Anita?

ANITA: My name is Anita, and I'm from Jones County. And I guess I got a very big concern on how our farms and farmland has been bought by developers. There's two developers here in Jones County alone that will buy up a lot of farms, and they will tear everything down, and they will build as many homes as they can. I am very concerned.

ORION: All right. Thank you for your concern from the state of Iowa. Thank you for joining us. And back here in the studio, and we do have a lot of folks here, and here is your opportunity to talk directly to the Secretary of Agriculture of the United States. It doesn't happen every day; believe me. So take the opportunity. Tell me who you are and where you're from.

MR. JIM MCCULLY: My name's Jim McCully. I'm from White County. That's part of Tennessee. I agree with you, Mr. Secretary, on the death tax. Unfortunately in 1981 I lost my father when I was a senior in high school. He was starting a grade A dairy in 1954. I took the dairy over my senior year in high school, and I had to pay inheritance tax. I have since then paid taxes, land taxes. I have two sons that's active on my farm--one here in FFA. And we reached one consensus here already today that you touched on in the beginning. There is nobody in the world that would want to work for zero amount of money. And we have let our agriculture get into a so-called "factory farming." And unfortunately the small family farm cannot compete with this Wal-Mart type farming as the gentleman was talking about. And I think when you set down and rewrite this Farm Bill you can call it discrimination if you want to, because the little man has been discriminated against. But it's time that you get back and offer benefits for the young farmers and the family farms and stop this monopolizing of these companies. You can count on your hand today of how many milk companies out there in the milk buying business. That is not nothing except monopolizing, and they're supposed to be laws against that. And they have put them in loopholes after loopholes and the government's set back and let it go on. I think if you want these young people into farming, you're going to have to put there where they can make money because farming is hard work, it's good work, not a better way to raise a family. But they cannot be expected to go on a field that they cannot make a living and raise their own family. Nobody wants to work for nothing. We have automakers making \$40 and \$50 an hour, and if you figure the farmer's wages today they'd be lucky if they're making \$5 an hour. And I feel like that you all need to take that into consideration deeply. Thank you.

ORION: Thank you very much, sir.

SEC. JOHANNIS: Thank you.

[Applause and cheers.]

ORION: It was an interesting comment because we do hear today from those opposed to ending the death tax that it doesn't impact that many people.

SEC. JOHANNIS: Oh, and it does. You don't have to travel in rural America very far to find the impact. When these folks talk about the rising land values, you know my father always used to say about the only time a farmer really realizes if he has anything is at his funeral and he doesn't get to enjoy it. And that's about right. But it's at that point where these things really have a dramatic impact, and there's the gentleman that just provided the testimony to that fact. He's a young guy in high school, he takes over the family farm, and how he's got taxes that he's got to pay so he can continue another generation of farming. That doesn't make any sense. His dad worked his whole life to put that together; why should his son have to pay that?

And so it's a big issue in rural America. It may not be a big issue inside the Beltway; but it's a big issue in rural America. But you know what? That's why we're out here.

ORION: Absolutely.

SEC. JOHANNNS: To bring these issues up.

ORION: Absolutely.

[Applause.]

ORION: One of my listeners put it this way. He said, Farmers live poor and die rich.

SEC. JOHANNNS: Yeah.

ORION: And that's kind of the way it goes. We're going back to the state of Iowa. And checking in with Dolores. Dolores, where in Iowa?

DOLORES: I'm from Crawford County, westside Iowa.

ORION: Okay.

DOLORES: And it really is wonderful that Secretary Johanns, that you're with the young people, the FFA and the 4-H people. They are our future in America in agriculture. I'd like to address you on the question of ethanol, biodiesel, and biomass. And I do think that we need to expand this energy program and include that. I think it's the future for the young people, the young farmer in America. And also I think that we need more 85 station and gas pumps, and why can't we work with the oil people, the oil industry, instead of working each in their own way trying to compete with one another, that we really only hurt everyone, our country. And I just wish that we could get more in the energy program with our biodiesel, ethanol and biomass.

ORION: Thank you very much.

DOLORES: Thank you.

ORION: And have a nice evening in Iowa. And I think we have here as Secretary of Agriculture a gentleman who has been a strong backer of ethanol. You headed up, what, the Governors Coalition?

SEC. JOHANNNS: I did. I headed up the Governors Ethanol Coalition. And it was right at the time that this administration came to office, and they made some key decisions that have provided for really tremendous growth in the ethanol industry. And I'm optimistic about that future. Just a couple of weeks ago the President and I went to a biodiesel plant in Virginia to showcase that and the importance of that. And we have a president that is very, very supportive of renewable fuels.

When I share this testimony with him, he's going to be very pleased about it because his whole goal here is to bring about energy independence. And ethanol and biodiesel is a way of doing that, and he has been a real champion for that, which we appreciate immensely.

I might mention since that woman called from Iowa, they've been a good leader in this area.

ORION: Yes.

SEC. JOHANNNS: They produce a lot of ethanol. I was just in Iowa just a while ago with Chairman Chuck Grassley, and we broke ground on a new plant there. So they're doing some good things.

ORION: How do we answer the critics who say we can't afford to take grains that would feed people and turn them into energy?

SEC. JOHANNNS: You know, I tell those people, we're going to grow corn in abundance, and we're going to grow soybeans in abundance, and I'd rather get my energy out of America than out of the Middle East any day of the week. That's how I answer that.

ORION: Good answer. Good answer.

[Applause]

ORION: Our telephone number is 1-866-547-9696. And that's a free number. It won't cost you anything. So if you have thoughts, and we're still focusing on young people in agriculture, and we do have a lot of FFA members, and we do have a lot of 4-Hers down here. And feel free to get up to a microphone and comment. Maybe a former 4-Her, FFA member standing over at that microphone?

MR. JASON LUCKY: Both of them.

ORION: Both of them! All right. And you are?

MR. LUCKY: I'm Jason Lucky from Humboldt, Tennessee in Gibson County in West Tennessee. I'm a row crop and beef cattle farmer. And my comments, in 2002 we thought we had a good Farm Bill and we were real proud of it, and one of the unintended consequences of this Farm Bill has been with the direct payments has been the increase in land rent in my area.

And any time that a farm comes up for rent that I live six miles from Myland (sp) Arsenal, which is a government-owned facility where the land comes up for public rent. Well any time, the first thing that happens to farmers in my area, they go to the FSA office and see what the payments are. And essentially that Farm Bill increased my land

rent values, so it negated any gain I had because I'm paying more in rent. So where I thought maybe I would get a little ahead on some equipment notes or some things, essentially I'm paying more rent to stay in the game.

And I would like maybe to take, if we could take this, take instead of a direct payment tie it to production or yield, incentive and reward-based Farm Bill as we produce just as you were saying we'll produce the corn.

American farmers have always stood up to the task when it was presented before us and with the technology and things that are coming we will be there, and we will be producing enough to feed and to provide energy. But with incentives and rewards that could be offered in a Farm Bill, I think that would provide for a basis instead of just a direct payment that essentially just increases land values. That makes it harder.

Also, the freedom to farm and the conservation. We've got to keep that in there. The rotation. My brother and I farm together, and rotating crops, rotating cotton, corn and beans, in years past when we had the basis and the allotments you'd see land that would get kind of just overworked by one particular crop. And if you could tie it, instead of tying it to land maybe tie it to the farmer, and let that farmer develop his own managing and rotation and the payments that go directly to the farmer in place of the landowner tied to a farm. Thank you.

ORION: All right. Thank you. Thank you for your comments tonight.

[Applause.]

ORION: Mr. Secretary, we're going out to California.

SEC. JOHANNIS: Great.

ORION: Rainbow from California. Where in California, Rainbow?

RAINBOW: Davis, California.

ORION: All right. And your comment for the secretary?

RAINBOW: Well, I'd like to start just by saying I'm really in support of supporting small and medium-sized farmers as a great way to support rural development in particular and to incentivize low-input, sustainable agriculture, organic practices and processes on the farm as a way to really support small and medium-sized farmers as well - all of which, including all the inputs into the farm like biodiesel that you're talking about. And all of this results in solving lots of problems at once including leading to cleaner air and water and land.

And then in terms of how to support next generation farmers and to get kids more involved in farming and more younger farmers, a great way is to combine schools and

farming operations. And these low-input, small and medium-sized farms are great places for school kids to be, and they get hands-on experience with where their food comes in. They're eating healthier food, and at the same time they're getting interested and exposed to agriculture, and so you're growing more farmers in that process.

ORION: Your time is up, but you spoke very well. Thank you for joining us in California.

SEC. JOHANNNS: Thank you. Good comments. Very good comments. You know it's kind of interesting; you get some underlying issues going, and I know we're concentrating on the question with young people. But universally, when you talk to people who are involved in agriculture, they are concerned about the next generation.

The last gentleman's comments about unintended consequences, and I referenced that in my speech, I was lead governor on the reauthorization of the Farm Bill for Western and Midwestern Governors Association. And I share his view. We worked to get the Farm Bill passed, were very happy to get it passed, but his comment is right.

Are there some unintended consequences? And you flesh these things out and you begin to realize that there very well could be some issues here that and this lady also brought up some great ideas on young people--how do we make sure they get involved in agriculture? There's so much separation now. When I grew up, everybody was growing up on a farm or in a small town, you know.

ORION: Yes.

SEC. JOHANNNS: But now it's so much different. And how do we keep that contact and that close relationship?

If I might just use this opportunity again to say, I believe one of the great chances here with these forums is to tell the story of rural America, and it's a wonderful story.

ORION: It really is.

SEC. JOHANNNS: These are great people. This is the heart and soul of America. And it's a great quality of life. So this is good testimony so far. We're doing great.

ORION: Before we go on and leave this question and go on to another one, we have another blue jacket over here.

SEC. JOHANNNS: Yes, great.

ORION: And tell me who you are and where you're from?

MR. ANDREW HUGHES: My name is Andrew Hughes, and I'm from the Covington, Tennessee, in Tipton County.

As I hear people's comments, the reoccurring issue is the profitability of farming in the future. And I've gotten involved in agriculture through FFA, and I have found that in the creed it says: I believe in the ability of progressive agriculturists. And I believe that through FFA, through agricultural education, you know we might not always be able to subsidize the American farmer and make farming profitable when we have to compete with countries that have lower standard of living. But I've found that through the FFA, if we can show pride in our farming productions, if we can show pride in the lifestyle that we lead, then the next generation of farmers will be proud.

And it will not always be about the profitability. And I believe that the USDA can help the future generation of agriculturalists through programs that are established in the Farm Bill such as trade adjustment assistance and the emerging market program, because it really is the progressive agriculturalist that is going to have to dominate tomorrow. America's always been about progressing, and I believe that agriculture should follow every other industry's standards.

ORION: Well said. Thank you very much.

SEC. JOHANNNS: Thank you.

[Scattered applause.]

ORION: Our next question, we're going to take a break here in a moment but our next question, and let me review it for you so that here in the studio audience and all across North America you'll have an opportunity to focus your next comments on this question.

"How should farm policy be designed to maximize U.S. competitiveness and our country's ability to effectively compete in global markets?"

How should farm policy be designed to enhance and maximize our competitiveness in the world market? Because truly we are a global market, like it or not. We're involved in the global agricultural community.

So we're going to take just a moment or two away. You are listening to Secretary of Agriculture Mike Johanns, his first Farm Bill Forum, the first of a series that will be conducted in the next several months all across the United States. And this one, the debut right here on RFD-TV, where we have an opportunity to share it with a lot of people here in the audience and a lot of you across America. So stand by with your phone calls and your questions and comments in the studio. We'll be back after this.

[station break]

ORION: Welcome back to our Farm Bill Forum with the Secretary of Agriculture Mike Johanns with us in the studio at RFD-TV here in Nashville, Tennessee.

Again the question now that we're going to focus our attention on, and we'll ask for your comments on the phone or your comments here in the Nashville studios of RFD-TV. This is the question. How should farm policy be designed to maximize U.S. competitiveness and our country's ability to effectively compete in global markets?

And we have a gentleman at this microphone over here in our studios. And first of all who are you and where are you from, and then your comments for the secretary.

MR. JOHN BUTLER: Sure. Well, first of all I'd like to thank the Secretary for coming to the great state of Tennessee. I hope while you're here you have an opportunity to look at some of the diversity we offer. It's a wonderful state ranging from cotton and rice to the west, all the way to the east with cattle and tobacco. And it really is a diverse state and we appreciate you coming here to look at some of what we have to offer.

SEC. JOHANNIS: Thank you.

MR. BUTLER: My name's John Butler, and I'm from the western end of the state, Dyer County. I'm a row crop and cattle producer. And the first question I guess I would pose to you would be first is that we really appreciate the opportunity of having you here. We appreciate the opportunity for you to allow us to get in front of you and give you some of our ideas. The gentleman that was here in front of me, Jason Lucky from Gibson County, that's a great point. You know nobody looks at the '96 Farm Bill from the standpoint of what the direct effect would be on rental prices. But that is a consequence, and that's something we've had to deal with. I appreciate the fact you wrote that down. That's something that I hope we address in the future.

Overall though, the '96 Farm Bill was a great success. I would like to tell you as a full-time producer and as somebody that's not been in the game too long this is my 11th crop and the average age of the farmer in the state of Tennessee is 58 years old. Well, I'm 37, so I guess I would be considered somewhat of a beginning farmer. My observation would be as far as the competitiveness of the Farm Bill and allowing us as U.S. producers to not only keep that competitive edge, but to I guess strengthen it, would be to focus on not free trade but fair trade.

My experience as a farmer, I don't know if free trade exists. I went to an ag school, attended a Land Grant University, and I know what free trade is in ag econ. But as far as a producer, I'm not for sure if free trade [exists]. I want fair trade. I want to have the ability to sell my products in somebody's country, for instance Cuba--and I don't want a government policy not allowing me to do that.

ORION: Thank you, sir.

MR. BUTLER: Thank you.

ORION: Thank you very much.

[Scattered applause.]

ORION: And let's go to the other. We do have two microphones in the studio, friends one over here and one over here. And let's go to the one over here. And tell me young lady who you are and where you're from?

MS. JOY PHILIPPE: Good evening. My name is Joy Philippe. I'm a pork producer and a row crop farmer from Brooding, Nebraska. And I'm here tonight representing the National Pork Producers Council as I serve as their president elect. The question about competitiveness is one that is very important to our industry. And I have a few points I'd like to add to some of the comments we've heard already tonight. But a few things that we believe that are important for us.

There are two things we believe that farm policy needs to be aimed at right now. And that is reducing and controlling our cost of production and increasing the price that we receive for our pork products. As pork producers, we believe there are two major components to being competitive in today's marketplace. We must be able to sell our animals and pork products at levels that are competitive with other protein products. And we must get back to return to our operations for the capital we've invested just like we would if we invested that capital elsewhere.

We do believe that in order to achieve competitiveness, we have to look very closely at the inputs that we put into our livestock. That includes soybeans and corn. And 65 to 75 percent of our feed costs are wrapped up in corn and soybeans. And we believe that when you look at the farm program, next time livestock needs to be a very important part of designing the grain and oilseed programs and the dollars that would be attributed there.

One of the last things I'd like to point out too is all regulations that are put together do raise our cost of production. We believe that all regulation needs to be science-based, cost-effective, and it needs to be something that's producer-practical while socially acceptable.

One of the other things I'd like to add personally is that, as a producer of pork, I believe it's going to be very important that we focus on animal health issues, animal ID and all the things that will protect our herd in the event that we have some kind of foot and mouth disease outbreak. I believe the animal health title would be very good in the next Farm Bill.

ORION: Thank you very much for coming here from Nebraska. Thank you.

[Applause.]

ORION: We're going to the telephone now, and then we'll get to another question. Hold it. Hold it. Then we'll go to the gentleman over here who's waiting at the other microphone. And your comments for the secretary? But first of all, who are you

and where are you from?

MR. JERRY HUGHES: Mr. Secretary, my name's Jerry Hughes, and I operate a small dairy farm out in the southeast section of Wilson County which is about 50 miles from here. And my biggest concern is the federal order system. Currently the way it is forcing all the farmers, dairy farmers in the southeast, out of business because we're having price--Class One price has been reduced to help these corporate dairies ship their milk into the southeast to help the bottling plant make more profit. So because they can't get the milk, they're taking money off our back here and making our federal order system price lower than the northeast or the Midwest. And there's going to have to be something done about the federal order system. It's absolutely against all the dairymen in the southeast.

ORION: Thank you.

[Applause.]

ORION: Every Secretary of Agriculture I've talked to over the years has told me the toughest sticking point in farm policy is dairy.

SEC. JOHANNIS: Dairy is always tough. But this gentleman just explained part of what we're here for. It's that nuances of the farm policy have a profound impact on dairy producers in this part of the country, and it impacts them in a very real way. So again, we learn and gather information. So that gentleman gave us some great comments and great information, and I appreciate it.

ORION: All right. Let's go to the telephone up in the state of Minnesota. Tim is on the line. Where in Minnesota, Tim?

TIM: In the southwest corner.

ORION: All right. And your comments for Secretary Johannis?

TIM: Good evening, Mr. Secretary. My comment is on the President's comments today where he suggested that if the Europeans would eliminate their subsidies, we would be happy to eliminate ours. We cannot compete, farmer against nation. We can compete farmer against farmer against farmer in the world. However, when we have to compete against other nations' subsidies, and they are being subsidized far more heavily than what we are ...

Today, the markets in our area for corn was \$1.72 and beans were \$6.70. We cannot get our monies out of the marketplace. And if you ask any farmer, they would much rather receive their monies out of the marketplace directly from the elevator or the livestock packing plant than they would from the federal government.

What will the Farm Bill do to shape that?

ORION: Okay. Those questions will be answered sometime between now and 2007.

SEC. JOHANNNS: Yes, they will. His comments are good comments. We have maintained all along that if other countries are willing to deal with the very issues he's talking about--market access, bringing their subsidies down--that our American farmer and rancher can compete with any other farmer and rancher in the world.

But his point is a good one: we're not going to unilaterally disarm. And the President pointed out today--and Tim may not have caught this yet--that this is part of the WTO process, this is the challenge of those negotiations.

But his observation is correct; you put the American farmer and rancher on a level playing field, and we can do business. But the unfortunate part is, in many parts of the world the playing field is not very level.

ORION: Right. Did the President put a timetable on it?

SEC. JOHANNNS: 2010 is what he talked about, which would coincide with this WTO Round. And as you know there's hopes that it will be a good round. But a lot of work needs to be done between now and December when we go to Hong Kong.

ORION: Will you be there?

SEC. JOHANNNS: Yes, I will. I promised everybody I talked to that agriculture was going to be front and center in trade negotiations. And so I'm actually going to a WTO meeting across the pond, if you will, almost from the time I leave here.

So the answer to your question is, yes, I'm very, very engaged in trade issues with the ambassador, Ambassador Portman. I want to make sure that everybody's paying attention to agriculture. But he's been really good. He's great to work with.

ORION: Good. Let's go to our next question, and you are?

MR. JACK BRITT: I'm Jack Britt. I'm with the University of Tennessee, executive vice president. And Mr. Secretary, welcome to Tennessee.

SEC. JOHANNNS: Thank you.

MR. BRITT: I represent our state's Land Grant University. And of course the Land Grant University system is very important in helping agriculture in the United States be so competitive globally. We've done that through the development of technology and the transfer of that technology and the use of that technology more effectively and more efficiently than anywhere in the world. We are a world model for moving technology from the laboratory to the farm.

We need to invest and continue to invest in research so that we can do that, and also invest in the next generation of agricultural scientists which are these wonderful, talented young people that are here tonight.

I recommend, the Land Grant University recommends, examples of investments that ought to be made in new research. One would be the National Institute of Food and Agriculture, which has been proposed as a new way of investing, similar to the National Science Foundation, in discovery-based research for agriculture that can lead to those disease-resistant animals or soybeans that are resistant to soybean rust so that we can remain competitive.

We also need to invest in programs like the Sun Grant Initiative, which is a new nationwide initiative focused on making new products that are biobased so that we have new products that we can produce and grow on the farm and generate more farm income.

And there's no question that investment in agricultural research shows a tremendous return. And we just urge you and the President and Congress to invest more in that key aspect of making American agriculture successful.

ORION: Thank you, sir.

SEC. JOHANNNS: Thank you very much.

[Applause]

ORION: And I would certainly second what he says about being the envy of the world because the 43 countries I have visited during my career, if they don't have an Extension Service, they want to get one established and based on what we have in this country.

SEC. JOHANNNS: The model is here. And Orion, the other thing you see out there is you'll sit down and you'll talk about the quality of our products and all of that.

ORION: Yes.

SEC. JOHANNNS: And they're very, very interested; but then they want to hear about our educational system.

ORION: Yep.

SEC. JOHANNNS: The other thing that is interesting is how many countries you go to where members of [that country's] President's Cabinet are educated at Land Grant Universities in the United States. It's very, very common. In some countries it's very uncommon to see someone not educated at a Land Grant University in the United States. It's a very interesting thing. They consider it to be a tremendous value.

ORION: It is.

SEC. JOHANNIS: And it is. It is.

ORION: We have a gentleman at the other microphone, and tell us who you are and where you're from please.

MR. STEVEN GASS: My name is Steven Gass and I serve as a state FFA advisor for the state of Tennessee. And Mr. Secretary, welcome also to our great state. We're glad to have you here. There's one thing I would like to mention to you that I think is an issue that could be considered to help out in the Farm Bill for our youth. And that's the consideration with the funding for agriculture education across this nation.

I know here in our state of Tennessee we have a great working relationship between the Department of Education and the Department of Agriculture. One of the shining issues with showing how well they work together in our state was the development of a governors school for agriculture sciences in Tennessee. And that's worked very well. The second year just has completed.

The issues I bring up, I can see the department can help out with and maybe even with the Farm Bill addressing as far as the funding with the Perkins legislation. It seems to me that at times there's a little conflict or rivalry maybe in funding or issues concerning the importance of agriculture and agriculture education. And as you know, as well as a lot of people, that the funding with Carl Perkins funds career and technical education, which also most people don't realize also funds agriculture education.

And so the issue is: how can the Farm Bill and should the Farm Bill address [it]? I think the Farm Bill should maybe address some of the funding and the issues to protect our future generations because the funding of the Carl Perkins legislation for vocational technical education or career and technical education goes back, is in jeopardy right now with some of the funding that they're looking at cutting would take away some of the funds that provide the state departments of education to train teachers--agriculture teachers in the new technologies—and the new methods that will be passed down into the classroom to train our next generation.

ORION: Thank you, sir. Thank you.

[Applause.]

ORION: Let me again focus on the question that we're discussing during this time, and we are going to get to all six questions. The Secretary posed at the beginning of tonight's program. The one now that we're focusing on and this is how it reads: "How should farm policy be designed to maximize U.S. competitiveness and our country's ability to effectively compete in global markets?"

And again our telephone number is 1-866-547-9696. And maybe a gentleman or a lady, we'll find out, who's using that number to call us, is in the state of Arkansas—Lavern? Sign in if you would, please? Where in Arkansas?

LAVERN: Hi, Orion. How are you?

ORION: I'm doing fine tonight. I'm having a good time, and I hope you are too.

LAVERN: It looks like you are. Mr. Secretary, I have a comment. My comment is, parity for all farmers. I think it will solve a lot of problems. One, for instance, is the cereal companies and \$2.50 for a bushel of wheat. They make 53 boxes of cereal [from one bushel] They sell one box of cereal for more than they paid for the one-bushel. I think if there was some parity, I think a lot of the problems would be solved. Thank you.

ORION: Thank you.

[Applause]

ORION: That's a word we used to hear a great a deal at farm policy, "parity." We heard that a great deal.

SEC. JOHANNNS: Fairly rare now.

ORION: Yes, it is.

SEC. JOHANNNS: But you do hear "parity" from time to time. But you're absolutely right, there were Farm Bills where literally that's all that was discussed was parity and how that fit and what that was going to look like. Very, very common discussion. You've been through more Farm Bill debates than I have, so I'm not educating you on anything.

ORION: I remember 90 percent parity. That was a phrase we heard a great deal. But as you said, things have changed since we were on the farm.

SEC. JOHANNNS: It's changed a lot. It's not that that comment is completely uncommon.

ORION: True.

SEC. JOHANNNS: But you don't hear a lot of it anymore.

ORION: Well, let's see what this gentleman has to offer. Tell me who you are and where you're from, sir.

MR. HARRIS ARMOR: I'm Harris Armor (sp). I'm from Centerville, Tennessee, which is a small community in southwest Tennessee. And I'm a row crop

producer. And I want to thank the Secretary for coming to the Volunteer State and offering all of us this opportunity to express our thoughts on these six questions that you've proposed.

My concern is with the Doha Round of trade negotiations, which is unlikely to conclude before our current Farm Bill expires. And I would ask that we stay the course with our current Farm Bill until 2007, at which time it is supposed to expire.

We do not need to make changes in the current Farm Bill until we know the results of the Doha Rounds of negotiations and what concessions we're going to receive from our trading partners, especially in the area of market access.

Any changes made should ensure our competitive advantage provided to us by our soils, our climate and our production capacities that we have in this country. And these should not be jeopardized by inappropriate government action. We should stay -- I use the words "poker-faced" -- we should stay poker-faced and not show our cards during the negotiations by making public declarations about changes to our current Farm Bill which will put U.S. producers at a serious competitive disadvantage.

Where we are now and where we want to be in the future is going to require some transition time. We will continue to need income support, such as the marketing loan and the countercyclical payments, which decline as market opportunities are realized. During this transition, we need to be sure that negotiated agreements are being met and promises are being kept.

The tariff areas export subsidies and a problem to me is currency manipulations, that these things are ceasing. When I took Civics, I learned we are a nation state sovereignty. We're not a country under socialism or a dictatorship, nor are we a country under -- we're not a member of a world government. Our U.S. negotiators are representing me as a citizen of this country and as a producer, and they are playing my hand. We're --

ORION: We've gone red, sir. We've gone red.

MR. ARMOR: Okay, so thank you.

ORION: Okay. Thank you very much for your thoughts.

[Applause]

ORION: Take your poker face to Hong Kong?

SEC. JOHANNIS: Absolutely. There's a case. This gentleman was making some really excellent points, and I'd like to address one. But there's a perfect example, boy if we could have him extend his comments on e-mail or even get out that notepad and write a letter, we would appreciate it. In terms of the effort of these Farm Bill Forums, Orion,

as you know, as this gentleman points out, our Farm Bill extends through 2007.

ORION: True.

SEC. JOHANNNS: You're probably going to see some initial work in the House, maybe even in the Senate. But that's probably not really going to fire up a lot until 2006, and that's the year before reauthorization. And so by the time that fieldwork gets done, I suspect they'll do some hearings also. Our listening sessions are done. I fully anticipate that the life of this Farm Bill will be through 2007. I'd be surprised if that changed. So if anyone is out there thinking that we're going to try to pass a Farm Bill in 2005, no that's not what we're about. We're just trying to get ahead of this and get people thinking about the very issues that this gentleman has raised.

ORION: I think it might be good for you to share a comment with the audience here that you did in the news conference today, because someone asked how involved the administration would be in putting forth a bill or ideas in the Farm Bill. There was a feeling the last go-around there wasn't much input from the administration.

SEC. JOHANNNS: It was a new administration, and the House had started work on the Farm Bill very, very early if you remember. And so a tremendous amount of work was done before the USDA team was even put in place. This administration has now been in office, and the President really wanted me to get out across America and to talk about farm policy. And I was thrilled to do it because I've been a governor of a major farm state, the state of Nebraska.

So here's my belief. Don't want to prejudge anything, but my belief is that with this body of information that we're going to be building nationwide, that this may be the first administration in quite some time that actually may put in a Farm Bill.

ORION: Really!

SEC. JOHANNNS: Now that hasn't been finally made, but I will guarantee you that these forums across the nation are going to be very helpful for me in advocating good sound, sensible farm policy. And it could very well lead to a legislative proposal. That decision won't be made for some time. We don't have to make that decision for some time.

So I'd just say, I don't know, Orion-- you've done a lot more of these than I have, but I'm not sure there's been a Farm Bill that's so built from the ground up, if that's the way it turns out.

ORION: Yeah. I agree.

SEC. JOHANNNS: And I'm glad to be a part of it.

ORION: Well, we're all glad to be a part of it and have the opportunity. Jerry out

in South Dakota would like to be a part of it too. Jerry, where in South Dakota?

JERRY: Aberdeen. Nice to speak with you Mr. Secretary. In the past life, you were my governor when I lived in Lincoln, so...

SEC. JOHANNNS: Great.

JERRY: Nice to see you again.

SEC. JOHANNNS: I hope you liked the governor in your past life.

JERRY: Yes, I did. Yes, I did.

SEC. JOHANNNS: Okay, great.

JERRY: I'd like to make a couple of points. First off, on the 1031 exchanges, I think they're artificially bringing non-ag money into the land market. And I think that's really causing a real problem for us that are trying to expand by driving the price of land up further. And I think part of the next Farm Bill needs to have some limitations in terms of the 1031 tax-free exchange. Maybe put some limitations down at the \$50,000 mark to try to get some of that artificial money from moving away from the metro areas into the rural areas. I think that's been a real problem for us, and you know in terms of land values.

And secondly, my other point, I think from a conservation standpoint, I think we need to relook at some of the permanent easements that are being inflicted upon landowners. And I think a lot of these are put in place by operators that are in dire straits, and they'll sign basically anything to get operating money to continue going on. I think we need to have a limitation, time limit on these conservation easements, say 30 years for example.

And the problem with them is, I don't think they accomplish what they're intended to. Most of us farmers are extremely conservation-minded, and we need more flexibility. And you put these in place and they're permanent forever. Well, how do we determine what "forever" is? And how can you put these kinds of limitations on farmland down the road without knowing what the future brings? I think it's just unrealistic.

So...

ORION: All right. Thank you from checking in, Jerry. And now we're going to the state of Pennsylvania where Dave is waiting to talk to Secretary Johanns, and Dave where in Pennsylvania?

DAVE: I'm in Freetown, Pennsylvania.

ORION: And your comment for the Secretary?

DAVE: I represent pro-ag, progressive agriculture out here and we're interested in dairying. And I would like to know, in this Farm Bill, if you're going to put something about the cost of production that was already added in 1937 and it hasn't been adhered to. And why would the cost of production to help the dairy farmers of the United States of America it wouldn't help with the global markets? Because our markets would be able to compete with the other ones if the cost of production was in the price of milk instead of being done by the welfare system that we have now.

ORION: All right.

SEC. JOHANNNS: Thank you.

ORION: Thank you. A cow milker from Pennsylvania. Nice to have you with us this morning -- or afternoon. But back to the comment on the 1031 tax exchange, that is beginning to generate civil war in the country among farmers who are close in going out and effectively outbidding anybody farther out. The Illinois Farm Bureau had a two-hour debate on this subject at their convention last November.

SEC. JOHANNNS: You know, a lot of people have touched on this issue-- not 1031, that's the first comment on 1031. But it's kind of the same economic phenomena that is occurring. Is there a point at which those who are owning the land are the absentee owners?

ORION: True.

SEC. JOHANNNS: Is there a point at which you take that property, that apartment building or whatever you had in some part of the country, and you sell it and you want to turn that and protect that gain, if you will, from tax policy? And so you look out there and you say, well, I'll buy farmland.

I'll share a story with you, but I'll bet everybody in the audience my age can relate to this story. When my mother was still alive, she'd always like to have me drive her around the section when I'd come back to visit. And it occurred to me, one of the last times I did that, when I grew up on that 640 acres, family of four, that there were actually, if I counted correctly, there were five families actively engaged in farming on that section. Now some of us rented some land off, but we were both mostly quarter-section farmers. We might rent a 40 or an 80 after that. Today, I would say on that section, what, there's maybe one or two families actively engaged. That pretty well tells the story.

And you're seeing a lot of this. And again, it's that unintended consequence. Have we raised the bar so high that these young people in order to farm they will farm for somebody else? They won't farm for themselves? Or is the death tax such an onerous burden for them that they have to sell off a piece of the farm so they have something left that they can be actively engaged in farming?

This gentleman's comments on input costs, well you've seen the product of waiting four years for an energy policy to be enacted.

ORION: Right. Yes.

SEC. JOHANNNS: And you know the President's comments in the State of the Union were right-- four years of debate is enough. And so everybody's paying higher input costs for their tractors, their combines, to run the irrigation equipment where we irrigate. And all of those things hit the bottom line pretty hard.

ORION: Indeed they do. Before we go on to the next question, there's another blue jacket FFA. I love those blue jackets. Mine doesn't fit anymore, but I love those blue jackets. You are?

MS. SARA LOCKER: I'm Sara Locker (sp) from Fayetteville, Tennessee. Not only am I an FFA member, but I am a director of the American Quarterhorse Association. And a highly discussed topic is horse slaughter and that not being something that's done in America but horsemeat is being sold to other countries. Will that be addressed in this Farm Bill?

SEC. JOHANNNS: You know, I don't know. We don't prejudge that, but get on our website and give us your thoughts and your opinions about that. We'll certainly consider them. Fair enough?

MS. SARA LOCKER: Fair enough.

SEC. JOHANNNS: All right. Great.

ORION: Thank you very much.

SEC. JOHANNNS: Thanks.

ORION: All right. Let's go to the next question that has been raised as part of the Farm Bill Forum discussion. And here is the next question we're going to, so those of you here in the audience and those of you at home:

"How should farm policy be designed to effectively and fairly distribute assistance to producers?"

Again the phone number is 1-866-547-9696. And how many times have we heard that just a few farmers and ranchers get all the big money on government farm programs? So if you're ready, well let's go to the gentleman over here. And you're on with your comment for the Secretary. You are?

MR. DAVID TEMPLETON: Thank you. My name is David Templeton. I'm a

cotton farmer from West Tennessee, I guess one of those that are probably accused of getting some of these big payments.

My comment, I guess, primarily is that if it's not broke, don't fix it. Several years ago, agriculture was in bad situation. Congress was authorizing duplicate payments to float farmers. They gave them then the incentive to pass this Farm Bill that got us in a little bit better financial shape. And I think it would be foolish to back up from it.

The -- lost my thought, but.

ORION: It's all right. You can use notes.

MR. TEMPLETON: Yeah. I had a few. I just, before this--now, you know the Farm Bill provides a safety net for us. And the payment limits that have been criticized are essential to farmers. Every business in the country practically is getting larger. The family farm has had to get larger to compete, and if we were to trim our payment limits and that would let us have to go back to downsize our farm operations. We would not be profitable.

We've talked about a level playing field. Along with the level playing field, a lot of times, our government has to do things for the greater good of society, which have a negative impact on agriculture. Case in point is when we wanted the military base in Pakistan, we gave the Pakistan government import quotas on several million bales of cotton. A lot of things like that happen, and necessarily so. I'm not criticizing the government for it. But as long as the government is doing things like that, that have a negative effect on farmers, we need these subsidies to keep us in the game.

ORION: Thank you very much.

SEC. JOHANNIS: Thank you for the comments.

ORION: Yes, indeed. Thank you.

[Applause.]

ORION: Again the question, "How should farm policy be designed to effectively and fairly distribute assistance to producers?"

We may learn something from Edwin in Texas. Where in Texas, Edwin?

EDWIN: I'm in El Campo, Texas. I'm a rice farmer. I'm a tenant rice farmer.

The last two Farm Bills have been great for landowners down here, for people who control the base and for large farmers. What's happened is, the direct payment, countercyclical payment, there's people wanting to buy land to get that payment and not have a farmer on it.

It's affected me in the respect that it's raised my rent on the land that I'm farming, to keep it. It's affected the businesses in this area in the respect that when the land goes out of production and sits idle or they run cattle on it or just take the government payment and do nothing with it, it's run up my cost. Increased their business that they would have normally got off that land, and those two payments equal about twice as much as the best farmer in this area can pay a landowner.

I normally pay somewhere around \$100 an acre to farm someone else's land. The government in this area, on a 5,000-pound yield, would pay around \$200 an acre as long as the price of rice is down. And the last two Farm Bills has done a very good job in keeping the price of rice down.

I would like to see something to address holding this unfairness and holding these payments that's going to nonproducers go to the producers in agriculture. And also by holding, raising the land prices up, it sounds like it's good but for a young farmer wanting to get into farming, the more land costs the harder it is for him to get in.

And I'd like to thank the Secretary of Agriculture for this opportunity.

ORION: All right, Edwin. Thank you. Edwin from Texas joining us.

[Applause]

SEC. JOHANNNS: You know, Edwin points out that there's always two or three sides to every story. And there very definitely is. And again it gets back to this issue of consequences. And you head in this direction, it's going to have a reaction in that direction. But again, we hear about the very high price, the difficulty of entry, the difficulty in terms of cash rents and those kinds of things.

Just an observation, give everybody something to think about. When this administration came to office, and I was asked this during our news conference as you know....

ORION: Yes, you were. Yes.

SEC. JOHANNNS: Things weren't good in ag country. I don't think it was overstating it to say it was really in recession. Much like the rest of the country, it was slipping into a recession. And then of course 9/11 came along and that really hurt from an economic standpoint.

But if you look at the history of farm payments, there were many years where things were really tough in agriculture, where the payments were more and the dollar amount put into agriculture was more. In fact, in the first couple of years of this Farm Bill, it was actually below what was anticipated.

But what happened? What did this President do different that now boosted farm income, the balance sheet is better, all of those things? Net farm cash equity set a record last year and it set a record this year.

Well, I'd offer a couple of thoughts. One is, the tax cuts impacted agriculture in a very positive way--\$4 billion stayed in the pockets of farmers and ranchers that would have otherwise gone to Washington-- the first year of those tax cuts. And then it happened again the second year of those tax cuts. The trade policy, this will be the third record year in terms of trade. And for the products we're talking about -- cotton and rice and some of those corn, pork that Joy mentioned a while ago -- we've had some unbelievable trade years in some of these, pork especially.

Well, what's happening? All of a sudden you have markets, you have sensible tax policy, you have someone who wants to eliminate the death tax to facilitate transfer of land to young people, and these things do make a difference.

It isn't necessarily, if you look at the history of farm policy, the dollars.

Now again, all of this fits together. It is a complicated, interwoven blanket. But people are fleshing out the very issues that I thought we would probably be getting to, and that is that these are very, very complex pictures. And you look at it very carefully what may be a tremendous assistance to one person is not helping another person. And that's the whole idea here-- how do we make farm policy work for agriculture?

ORION: Well, let's see if Steve in Missouri has an idea on that.

SEC. JOHANNIS: Okay, great.

ORION: Steve, where in Missouri?

MR. STEVE EDDING: Yes, Orion. Concordia, Missouri. You were there four or five years ago at the Christmas time.

ORION: I remember that, at the Country Church.

MR. EDDING: Yes, it was.

ORION: And your comment for the Secretary?

MR. EDDING: Actually my comments are regarding conservation issues that are supported by the Farm Bills. My name is Steve Edding. I'm president of the Missouri Association of Soil and Water Conservation District. I also am on the Lafayette County Soil and Water Conservation District Board.

What makes Missouri very unique in its conservation efforts is the support received from Missouri citizens through its Soils and Parks sales tax. This tax supports

state parks and soil conservation on private lands with a one-tenth of one percent sales tax. This tax generates approximately \$75 million per year with half going to state park programs and half going to benefit soil and water conservation practices.

In the last fiscal year \$19.6 million were provided for land practices serving 5,875 applicants and conserving 3 million tons of soil from entering our streams. The funds spent on these practices treated 100,000 acres of agricultural land.

To accomplish this task, Missouri Soil and Water Conservation Districts rely very heavily on Natural Resource Conservation service, or NRCS staff, to provide the technical assistance required to design and lay out these erosion-limiting practices.

Missouri also has eight priority watersheds in the Conservation Security Program, RCSP. Enrollment for CSP and other programs is done through the NRCS offices in the priority area districts. The enrollment process can be very time-consuming but well worth the effort when the benefit of total soil and water conservation efforts on these farm acreages is considered.

The NRCS personnel also work with the EQIP programs that are in the Farm Bill. It is extremely important for Missouri to have NRCS funded in a manner that does not limit state cost-share dollars available to be spent on conservation efforts and also adequately handle the demand of the CSP, EQIP and other NRCS approved programs --

ORION: Steve, we've hit red.

MR. EDDING: Okay. (continuing) Dollars allocated to NRCS provide the means to carry out these practices.

[audience laughter]

ORION: Steve. We've hit red! (laughs) Steve, thank you very much for your call from Missouri tonight, but I have to be fair. And we, before we get to the next call, we have a very patient commissioner who's been standing at our microphone for quite some time now. Sign in, please.

MR. RAY YOUNG: I'm not a commissioner. My name is Ray Young. I'm a row crop and cattle farmer from Louisiana. And I'm also an agricultural consultant. I grew up during the Great Depression, and agriculture served us well then. I've seen many farm programs come and go. Some have served us better than others. I appreciate the remark that you made, Mr. Secretary, a while ago about ag being in a recession. Actually we were in a recession until the 202 Farm Bill.

This country did not arrive at being the producer of the most affordable, the safest, and abundant food supply in the world accidentally. Farm programs through the years have kept agriculture in this country viable. Thank goodness for farm programs. They brought us through the Depression and they have carried us to the point where we

are today, the envy of the world.

Let us not forget that what brought us here.

When we talk about competitiveness, I don't know of a Farm Bill that has enabled us to be more competitive than the current Farm Bill. So I agree with the gentleman a while ago, if it's not broke let's don't fix it.

Thank you.

ORION: Thank you very much.

[Applause]

ORION: And I just promoted him to be a commissioner. He was sitting next to the commissioners there, and I just promoted you. So be happy. You'll get more money in your next paycheck, okay? All right, very good.

Let's go to North Carolina where Bill is waiting on the telephone to offer comments. Where in North Carolina, Bill?

BILL: I'm in Madison County, western North Carolina.

ORION: Welcome.

BILL: I want to ask the Secretary, what do you plan to do to help the burley tobacco growers after the buy-out? Most of the burley growers cannot still produce tobacco and compete with foreign countries on price due to our labor cost, fertilizer and chemicals. We need help from the government to start producing another cash crop that will come up to tobacco. Most of us were small farmers and beef cattle production supplemented our tobacco.

I went from \$40,000 a year gross income to a \$6,400 a year buy-out payment. Our county always received around \$5 million income per year off of tobacco, which they won't receive anymore.

ORION: Well, that's an interesting challenge, and again there we're looking at how we effectively channel the funds from government.

SEC. JOHANNIS: There is, as the gentlemen points out there's a tobacco buy-out program that is literally in the very early stages of implementation. We're literally in a process where we're signing people up now. It was passed right before I came to the Secretary's Office. Very large program on a national basis.

And whether Congress would address the issue he raised in the next Farm Bill, you put it out there and we'll see. I can tell you that the buy-out program was attempted

to do that. It was attempted to buy tobacco out of the farm program. But we'll see.

You know, you raise the issue and we'll see if Congress has an interest in pursuing that.

ORION: Okay. The question is, "How should farm policy be designed to effectively and fairly distribute assistance to producers?"

And I'm going to a gentleman here in the studio, and then we'll get back on the phone. You are?

MR. JOHN WILLIS: John Willis. I'm from Brownsville, Tennessee, and I farm cotton, corn, soybeans and wheat. I'm going to agree with some of the other speakers and previously -- support this Farm Bill. Mr. Secretary, I'd like to thank you for this opportunity and thank you for being here.

Today's agriculture is very important to our economy, employing 25 million people with a value of \$3.5 trillion. This production of food and fiber counts for 15 percent of the U.S. gross domestic product. In rural America this importance is even greater with agriculture being the engine driving these economies.

In 2002 the United States enacted a new farm law that has been under constant criticism since its inception. The current farm program provides an important safety net for production agriculture and does so in a fiscally responsible manner.

Spending under the farm law is much less than originally projected. With the advent of the countercyclical along with direct payments and a marketing loan, this legislation helps protect farmers from adverse weather and commodity markets while allowing farmers to respond to market signals and not distorting overall production and prices.

This is also a bargain for the consumers who enjoy the cheapest food and the safest food in the world. The word "parity" seems appropriate here. What this basically means is a fair price for our products. We have not kept up with American consumer. When I graduated college in 1975 and started farming, the American consumer spent in the neighborhood of 15 to 17 percent of disposable income for food. The latest figures I've heard have been 9 to 10 percent; so we haven't kept up our share with the American producer of the food.

Today farmers face greater risks than the vast majority of businessmen. Many factors are beyond the farmers' control. Strong dollar --

ORION: And we're at red, sir.

MR. WILLIS: Well, you can see where I'm headed. I think this is a sound farm program. It's good and when we have high commodity prices, we have less supports,

when we have low prices we have more. And I think that's a sound basis concept.

ORION: Thank you very much.

SEC. JOHANNNS: Thank you.

[Applause]

ORION: A lot of people are learning how quick two minutes goes.

SEC. JOHANNNS: It goes very quickly.

ORION: Yes. It does go by very quickly.

SEC. JOHANNNS: Complicated issues, too.

ORION: I know, very complicated. We're going to head up to North Dakota. But I do now have a commissioner.

SEC. JOHANNNS: Yes, you do.

ORION: I do have a commissioner at the microphone, and so North Dakota, we'll get to you in a minute. But here is the commissioner from?

COMMISSIONER [ODOM]: Louisiana. Thank you, Mr. Secretary, for being here. And we appreciate that very much.

You know, I want to go back and cover a couple questions. The first question: profitability. If not profitability young people can't go into business. It's that simple. The other thing is, is that I have talked to farmers all over my state of Louisiana. Without some type of payment program they can't stay in business-- rice, cotton, soybeans. They can't stay in business-- corn, wheat. You know, we've got to maintain the farmer in business.

The other thing is, one size don't fit all. There's got to be a difference in the Farm Bill from here and out West; there's a difference in this country, difference in production. So we got to do something to take care of the agriculture.

And what the gentleman said just a minute ago is that the Farm Bill, the payment program is not for the farmer; it's for the consumer, the cheapest food of anywhere in the world, anywhere in the world, 10 percent of disposable dollar is spent on food. The safest food of anywhere in the world.

So we've got to do something to keep the farmer in business, and that's the way to get the young farmer on the farm. If you don't keep him in business and he's gone, it's already gone. And I don't care what the rent price, the lease price for the land is, is that if

he goes out of business he won't be back.

SEC. JOHANNNS: Thank you.

ORION: Thank you, Commissioner.

[Applause.]

ORION: Okay. Now we'll go to North Dakota, and John, where in North Dakota?

JOHN: Orion, I'm from McLean County.

ORION: Is it still raining up there?

JOHN: We're starting to dry out. It's starting.

ORION: Okay. Your comment for the Secretary?

JOHN from NORTH DAKOTA: Thank you for taking my call, Secretary. I appreciate it. My wife and I bought the family farm from my parents, and 10 years ago I graduated from college, two-year school, agribusiness. There were 26 kids in my graduating class, and two of them are farming today. One of them is myself, and another guy in the southern part of the state.

So all I'm going to say is, that something has to be done, especially in our state of North Dakota, and it has to be done soon.

Thank you very much.

ORION: Thank you.

[Applause.]

ORION: We're going from way up north to down south to the state of Georgia. Sherry? Where in Georgia?

SHERRY: I'm in Cochran, Georgia.

ORION: Are you feeling the effect of Dennis yet?

SHERRY from GEORGIA: Not yet, just a little wind, and it's a little cooler than it has been.

ORION: Okay. Your comments for Secretary Johannns?

SHERRY: Well, I know that the main thing on the Farm Bill is to save taxpayer dollars, but we do have to support our farmers. Otherwise, they will not be in business. But one thing that I have seen over the last several years, I guess I could say I am an employee of USDA Farm Service Agency at the county level so I've seen the effects of the Farm Bill. But the countercyclical payment as well as what used to be the MLA market loss adjustment payment go to anybody regardless of whether they're planting a crop. And I feel like that these payments should be made to the actual farmer that is producing the crop.

Now that would prevent also some of the producers losing their land to the landowners, you know, because the landowner can get more money out of the Farm Bill and not grow any crops but yet they're getting countercyclical payments, and they have no risk in growing a crop. The price of the crop does not affect them. It affects the farmer actually growing the crop, and I just feel like those payments should be more closely tailored to the farmer that's actually growing the crop.

ORION: We thank you. You know you're talking to your boss, don't you?

SHERRY: Yes, sir.

ORION: Yeah, okay.

SHERRY: Yes, sir.

[Audience laughter.]

SHERRY: Thank you, Mr. Secretary.

ORION: Thank you very much from --

[Applause.]

ORION: Well, before we go back to the phones, let's go over to our studio microphone and sign in please. You are?

JENNIFER HARRIS: Yes. I'm Jennifer Harris from Memphis, Tennessee. And I come from a long line of cotton farmers and cotton merchants and actually own a small cotton land in the Mississippi Delta. I also happen to work at USDA in a previous administration and became quite familiar with Step 2. And I had serious reservations about how the program worked, and I applaud you Mr. Secretary for making your statement about ending Step 2.

But now it's up to Congress. And that's a different deal. And I just was, I hope that you will work hard to make sure that it happens so that we will be in compliance with WTO and our legislators will do what they have to do to make that happen.

SEC. JOHANNNS: Well, thank you for those comments. Another question I was asked at my media briefing was relative to Step 2, and you know we strongly oppose the WTO ruling. We appealed it. They found against us and some House member or Senator said, and I don't remember who, "We don't have a lot of wiggle room here."

Now we're going to work with the industry and we'll work with the House and the Senate. You've got to, to move these things forward. But I think the ruling on Step 2 was very clear, and I agree with that assessment-- there's not a lot of wiggle room on Step 2. So it's kind of where we're at. But I do appreciate your comments.

JENNIFER HARRIS: Okay. Well, I hope you'll work hard to see that it ends. Thank you.

SEC. JOHANNNS: All right. Thank you.

ORION: Thank you very much.

[Applause.]

ORION: And that brings up a question, Mr. Secretary, that I was asked, I don't know, about a month ago. How close communication do you as Secretary have with members of Congress and with the White House?

SEC. JOHANNNS: Daily, hourly. I offer an insight or two. The President's very, very engaged in agriculture. It makes my job a whole bunch easier. I think that part of it is he enjoys it and he comes from a major agriculture state. He was the governor of the state of Texas, and they do a lot of agriculture there. So I always say, I don't have to spend the first 10 minutes giving him a briefing. He knows what I'm talking about, so we jump right into the topics.

And with the House and the Senate it is, it really is daily. It might be some initiative that we're working on. It might be some inquiry they have about an issue. But I spend a lot of time on Capitol Hill with members of the House and Senate.

I will share with you, we have two outstanding chairmen right now-- Chairman Saxby Chambliss. He just does a great job. And he's on the Senate side, and Chairman Bob Goodlatte is on the House side. Very, very knowledgeable individuals, very capable, and they're just good, decent individuals to work with. So that piece of it makes my job a lot easier.

It's a unique situation, Orion. We have the opportunity I think to have a pretty cooperative bipartisan effort here. There's always disagreements, but when it comes to farm legislation people do tend to try to figure out how to make it work. And I don't run into a lot of partisan issues, and that's nice. I like that.

ORION: As a matter of fact, speaking about contact I remember the Governors

Conference on Agriculture in Nebraska. You came back --

SEC. JOHANNIS: Yes.

ORION: -- to speak to the group, and I was out there on the program. You were on the cell phone before your speech, after your speech, and throughout the lunch.

SEC. JOHANNIS: Yes. That was a very, very incredible day. It was a busy day. I was trying to -- oh, it was terrible. I was trying to operate two cell phones, and both of them were ringing, and it was chaos. Just as I was leaving town something had happened legislatively, and man alive, what a day. And so people who were friends of mine were trying to pull me aside to visit about this issue and that issue, and I've got a cell phone in my ear. I felt bad about it. So -- but yeah. It was a busy, busy day.

ORION: I'm going to give you a preview of our next topic of discussion, and that is: "How can federal rural and farm programs provide effective assistance in rural areas?"

"How can federal, rural and farm programs provide effective assistance in rural areas?"

Again, our telephone number is 1-866-547-9696. So give us a call; we want to hear from you. That's 1-866-547-9696.

But let's take another comment on the current question, and we'll go back into our studio here. And you are?

MR. WILLARD BROWN: My name is Willard Brown. I'm a tobacco and cattle farmer from Rickman, Tennessee, which is in middle Tennessee. What I would like the next Farm Bill to address is, there is a perception among a lot of farmers, myself included, that we have pushed free trade too far. Free trade is what it is. It's, to me, free to our markets. And we need to put more emphasis on fair trade.

In other words, if you're going to open our markets and we have the greatest market in the world, to foreign competitors -- we can compete with them. But make sure that when you give them access to our market that we are allowed access to their market on a fair, level playing field. That's very important.

[Applause]

ORION: Okay.

MR. BROWN: Most farmers would like to get their livelihood from the marketplace. You give them three or four-dollar corn, \$10 beans, and all the problems that have been discussed here tonight will disappear. Rural development will come automatically because farmers will spend that money at home.

ORION: (laughs)

MR. BROWN: Simultaneously the conservation and the environmental policies that are always causing regulations to be stuffed down our throat will disappear simply because most farmers turn around and put every free penny they can get back into that farm.

ORION: And we're red. And thank you for doing what you did. Thank you very much. (laughing)

[Applause.]

ORION: We are going to take a break, and then we'll be back. And we have an FFA member over there; don't go away because we're going to continue with comments at this Farm Bill Forum with Secretary of Agriculture Mike Johanns coming to you live from RFD-TV in Nashville, Tennessee. We'll be back after this.

[station break and Safety Network Program]

ORION: Welcome back to our Farm Bill Forum live from the RFD-TV studios in Nashville along with Secretary of Agriculture Mike Johanns. I'm Orion Samuelson. We took a little longer break than we had intended because as some people had to go out and check on whatever they want to check on. Anyway we're back, and we're going to be with you right up until 10:00 Central Time, giving you the opportunity to offer your thoughts and comments on farm policy with Secretary of Agriculture Mike Johanns.

This is the first of a series of Farm Bill Forums. And the Secretary announced that three sites and dates have been selected, and more of them will be posted on WWW.USDA.GOV/FARMBILL. Okay. And here are the dates: July 25th in North Dakota, and August 3rd in Minnesota, and August 4th in Wisconsin.

I'm envious, Mr. Secretary. You're going to get a lot of mileage-plus miles, aren't you?

SEC. JOHANNNS: You know I'm looking forward to it. I'll be traveling a lot, and I'm going to do a lot of state fairs. So perfect venue. Perfect venue. Farm shows and state fairs.

ORION: Yes. Good. So just watch for the date and the location in your area, and then be there because I think you're learning tonight Secretary Johanns is indeed sincere in wanting to hear from you and wanting to hear the feedback from you.

The question that we were discussing, and there are six of them that have been put forth by Secretary Johanns, but "how can federal, rural and farm programs provide effective assistance in rural areas?" That's the current question.

And our telephone number is 1-866-547-9696. And we have a young FFA member who's been standing there for 15 minutes waiting to speak. You're on. You are?

MR. SCOTTY HUDSON: My name's Scotty Hudson. I'm with the Westmoreland FFA Chapter in middle Tennessee Region. The major problem in the middle Tennessee region is losing valuable farmland due to the outward expansion and overflow of Nashville. My question is, could we not follow in the footsteps of some cities in the United States which prohibit the outward expansion by making tougher zoning laws to make barriers of expansion, oftentimes original urban areas, go abandoned due to the expansion of cities? By prohibiting further outward expansion we could redevelop those abandoned areas by both arguing parties being farmers in urban improvements and activists would profit. Thank you.

ORION: Thank you.

[Applause.]

ORION: As we've said often, that farmland is a farmer's 401K, and if we tell him he can't sell for development then we get into property rights still.

SEC. JOHANNNS: Yeah. And as you know local zoning issues are just that -- they tend to be very local. It's not something you can effectively address, nor would local government units want you to do that at the federal level. But he raises a very, very significant issue, and that is that as cities grow they're going to buy farmland, and that farmland gets more and more expensive, and so again you have that ripple effect.

ORION: When our ancestors settled here they needed good land and good water. They didn't build on top of a mountain.

SEC. JOHANNNS: Yes, exactly. They built on some of our most prime land.

ORION: Speaking of mountains, we're going to a mountain state, Colorado, right now. And Laurie is on the line. Laurie? Where in Colorado? Laurie, where in Colorado?

LAURIE: Yes. I'm in western Colorado, and I'm a 26-year farm loan manager with the FSA-USDA. So good evening, Boss.

SEC. JOHANNNS: Good evening. I'm proud to work with you.

LAURIE: Well, I am proud to work with you too. In response to the most recent question that you all have put out, what I wanted to suggest or at least put out there for an idea, increase the direct loan limits and also make them adjusted yearly for inflation like we've been doing with guaranteed loans for quite a few years. The direct loan limits are still set at \$200,000; they've been that way for quite a few years. And here in western

Colorado I cover a 14-county region, and our real estate prices here are very high as you can imagine. And \$200,000 doesn't cut it. And sometimes even the \$813,000 on the guaranteed loan program doesn't cut it.

And I'd also like to see the OL [operating loan] Youth Loan limits increased to \$10,000. They've been \$5,000 for quite a few years, so hopefully the FFA members that are listening and sitting in the audience would like to see that too.

And the final thing, I have a little bit more oh I guess full-time employee positions available for the FLOTs. We're looking at large number of people in my position that are going to be retiring in the next 10 years, and I fear that we're not going to have anybody coming behind us to replace us.

And that's all I've got to say.

ORION: It's interesting, the employees who are out there every day coming up with ideas.

SEC. JOHANNIS: Yeah, and they have some great ideas. This retirement issue, I'll just mention -- it's not really a Farm Bill issue but it's a very interesting issue. If you chart the history of Farm Bills dating back to the '30s you can see that in the USDA we are about due for another generation of shift.

ORION: Really?

SEC. JOHANNIS: Yeah. There's a lot of people my age and older that work at the USDA, and if you trace that back what happened is when farm legislation first came in big hiring, brought a lot of people in. They retired. Big hiring, and we're about due for that again. So.

ORION: So there will be a cycle.

SEC. JOHANNIS: Yes. There is a cycle, and we're kind of right on the edge of that cycle. Her observation is correct that we would see that in offices across the country.

ORION: Let's go to Oklahoma and Jerry is on the line from Oklahoma, and where in Oklahoma?

JERRY in OKLAHOMA: Orion, I'm in north central Oklahoma from Pawnee County.

ORION: And what do you do there?

JERRY: I am a cattle farmer.

ORION: Okay, and your comments for the Secretary?

JERRY: I'm glad to see that Mr. Secretary's here to take the comments. I work for a company that used to have town hall meetings, and I would say he has one of the greatest and the largest town hall meetings I ever heard of. Orion, I also enjoy you and Max on your programs.

ORION: Thank you very much.

JERRY: One of the things I would like to talk about is water pollution. The farmers who contribute to the water pollution with the phosphates and the nitrates, but also in the city -- our city neighbors and friends and relatives, they have a lawn there. They fertilize that lawn, irrigate it, and here comes some water out of there. I would love to be able to fertilize my pasture, the amount of fertilizer that they can put on their lawns. But it isn't feasible, and I can't do it.

Also I would like to address the topic of the COOL, the Country of Origin.

ORION: Labeling.

JERRY: Yes, the labeling on the things-- so the American people could know where their produce, their meat come from.

Also the family farms have a personal touch in how their farms are, how they live. If they don't make money out of it, they don't have a new pickup or they use the old one or they don't have other things that the corporate farming has. And some of the corporate farms are taking away from our local deals. I have two sons that I would love for them to be able to go into the cattle business, but I don't know if they're going to be able to afford it even with my backing on it. So this is some of the things that we need to get back to the tax laws, that's where the family farms can have the same thing that the corporate farms. That's my comments, and I will give you back the minutes I have left.

ORION: Well, thank you very much, Jerry. I appreciate that. Jerry from Oklahoma, not only conserving water, he's conserving time here tonight.

Let's come back to the studio for a moment, and the gentleman at that microphone, sign in please?

MR. BRAD HURLEY: My name is Brad Hurley. I'm the president of the Carroll County, Tennessee, Chamber of Commerce. In 1997, 25 percent of our workforce was in garment and apparel. In less than 36 months that number dwindled down to 5 percent. One in five people lost their jobs during that 36-month period.

We've been able to rebound, and today we have an unemployment rate of 7.6 percent. We didn't do it alone. We did it with great partnerships through the state of Tennessee, TVA, and USDA. Those programs were vital in helping us recruit new companies. Balum (sp) manufacturing which I think you're very familiar with their

corporate offices being in Columbus?

SEC. JOHANNIS: Yes.

MR. HURLEY: USDA was vital to us being able to turn around. As you said earlier, Mr. Secretary, the definition of "infrastructure" has truly changed. And 20 years ago infrastructure was roads and water and sewer. Today it's still those issues, plus it's broadband, plus it comes back into cell phone service.

Let me give you two specific examples facing us in rural America. Bruceton, Tennessee, a little town of 1,500, has over three-quarters of a million square foot of vacant manufacturing space. But one of the dilemmas you have in that facility is, when you bring CEOs that are used to using their blackberries and their cell phones constantly, you come into that community and you have very poor cell phone service.

Today companies aren't going to locate where they cannot have broadband services or cell phone services. When you contact the cell phone company, they're very nice-- get us more customers and we'll help you. But Mr. Secretary, that's where the programs that USDA has are very vital to rural America.

The second issue is, there's a lot of money for companies once a company says they want to come. But we need to look at programs that will allow communities who are willing to invest in their self to buy land for industrial parks, to improve that land with side-prep, to bring the infrastructure on to that site, and to build spec buildings. We need to realize that those aren't luxuries; those are basics in economic development.

ORION: And we've just run out of time.

MR. HURLEY: Thank you very much.

ORION: Thank you very much. Thank you.

[Applause.]

ORION: We have another commissioner.

MR. KEN GIVENS: Yes, sir. I'm Ken Givens, commissioner of Agriculture in Tennessee. And Mr. Secretary, on behalf of Governor Phil Bredesen and his wife Andrea we certainly welcome you back to Tennessee. You've been here before, and we welcome you back.

SEC. JOHANNIS: Yes.

MR. GIVENS: And your wife Stephanie. I know you're always looking for an opportunity to travel with her as you travel across the country.

I can almost just say 'Amen' to what Brad Hurley said earlier. My message is, you have some good vehicles to deliver services and programs to rural areas across this state-- that is, through the Farm Service Agency, who we're working with now in the national animal identification system. We're working with Rural Development to promote agri-tourism. We have an agri-tourism initiative in Tennessee. She is working with us in some value-added opportunities all across the state. That is, for example, making overripe strawberries into strawberry preserves, and that type thing.

But we have a lot of opportunities there. We have great vehicles-- the NRCS is a good agency to work with. We just need to keep those vehicles fully topped off with fuel if you know what I mean. That is, dollars. And maybe it will be some biobased fuel dollars too.

But thank you for being here, and as I say we have great partnerships. We just need to keep doing a lot of what we're already doing.

SEC. JOHANNNS: Thank you very much. Thanks.

ORION: Thank you, Commissioner. Thank you.

[Applause.]

ORION: Now comments on the Farm Bill from William in Mississippi. Where in Mississippi, William?

WILLIAM in MISSISSIPPI: Yes, sir. Out of Tallahatchie County, Mississippi, Charleston. How you all doing tonight?

ORION: Well, I think we're doing okay, and I hope you are. Are you getting any hurricane rain yet?

WILLIAM: We haven't got any rain. We haven't any rain in just about two months. This county's dry. The times when you've been up-- I'm 45 years old and I been watching you all my life.

ORION: Well, thank you. I've been doing it all your life, so thank you very much.

[Laughter]

WILLIAM: Mr. Secretary, I appreciate your man for taking my call.

SEC. JOHANNNS: Glad to do it.

WILLIAM: Like I said, I been a lifelong farmer all my life. In the 1980s I was one of a lot of them that just about lost everything I had because of how things was

around '79 through '81, '82. I'd bought some land paying 17 percent interest on the, back when Mr. Carter was the president, and it just like to put everybody out of business.

The Farm Bill that came along with the Conservation Reserve Program saved us in this part of the country. Part of our county's in the hills and parts in the desert. The part in the hills under the program was how they rode the land we couldn't farm anymore. So the Conservation Reserve saved us. It got us where we could make the payments on our land, and I hope the next Farm Bill continues because we're still making those payments.

Another thing I'd like to say, I'm the sheriff here in our county, and we receive --

ORION: Yes, sir.

WILLIAM: We receive grants from USDA to buy patrol cars. I really appreciate it. The rural counties of Mississippi get most of the money from real estate taxes and vehicle tags, and the county's populations dropped. We lose tax money and the county's going deeper and deeper in debt. We used to have six or seven factories in the county, and we've got zero now.

Hopefully something in Congress or something -- I know NAFTA almost the factories are moving over to Mexico, went overseas. I know most of the people there and the others like me worry about the farms being gone. But we got to do something to help the rural counties or they're just about bankrupt. You know we can't provide the service for the people.

ORION: All right, William. We're about out of time. I'll tell you this. I would like to meet you socially. I never want to meet you professionally, okay?

WILLIAM: I'll take care of you.

ORION: All right. What about state of Kansas right now where they're about wrapping up wheat harvest I think. Raymond, what part of Kansas?

RAYMOND: North central Kansas.

ORION: And are you in the midst of wheat harvest?

RAYMOND: No. We finished about a week and a half ago. We were way early.

ORION: Oh. How come you're not on vacation then?

RAYMOND: Oh, what is vacation?

ORION: Okay, I hear you. All right.

[Laughter]

ORION: Your comment for the Secretary?

RAYMOND: I may not fully understand-- course I don't have the luxury. Is a producer allowed to take payments on a double crop? Does he get it for both, say, wheat and then soybeans? And you know if that's the case, I think it should just be one payment for your acres. You know, so that will help level the field for those of us where I'm at where we pretty much have to leave some summer fallow if you're going to raise a crop the next year.

And I would also like to see the fixed setaside acres come back into being to help lower our production a little bit because we're killing ourselves. We're too good at producing the stuff that we produce.

And I would also like to see CRP continued and get it put back where it used to be where it was the highly, less productive ground go back to grass where it should never been broken out.

ORION: All right. Thank you for your comments from Kansas.

Any comments?

SEC. JOHANNIS: Raymond is right on the edge of the state where I used to be the governor, so Raymond it's good to hear from you. Raymond's made a couple of good points there. The setaside acre program, that would be another one where you'd look back into past Farm Bills and parity and setaside and those things were very common words.

But actually the Conservation Programs that are in place now have, number one, they've had dramatic success but they're doing some of the very things that I think Raymond was getting to here. And that is that land that would be farmed and farmed and farmed and maybe it wasn't the best land for farming, all of a sudden now you might be able to work a conservation program. And this President has, boy he can safely claim the title "conservation president" because he's put more money into conservation than ever. And this Farm Bill really boosted that, and it's been very, very well received.

Again I don't want to prejudge anything, but I'd be very surprised if there isn't conservation, you know strong programs in any Farm Bill we do anymore just simply because it has support from such a broad constituency. So my impression is that Raymond's hope for a good conservation program will be realized.

And again, I don't want to prejudge it, but I can't imagine a Farm Bill, certainly not in any future I can conceive of, that isn't going to have conservation involved.

ORION: Okay. We have some people waiting at the microphone, but we're

going to do a quick trip to California. William, are you with us?

WILLIAM from California: Yes.

ORION: And where in California, William?

WILLIAM: Corning, California. That's about 120 miles north of Sacramento right up Interstate 5.

ORION: You sound like the guy who does the motel commercials.

WILLIAM: No, no.

ORION: Okay, all right. Your comment?

WILLIAM: Two comments or three actually. First comment, it's a privilege to get to talk to the Secretary. I appreciate his interest and hope that some of the comments he's heard can be acted upon and help make agriculture better. Number one, what's his plan for renewing or working in terms with agriculture with renewable energy like from manure, straw, waste, orchard waste, this type of thing?

And then the other comment I have in watching the program earlier where they were talking about agriculture and the supplying food worldwide, pricing, etcetera, how can they ever expect to compete when, for example, in California you have to pay Social Security, you have to comply with OSHA, you have to pay unemployment, and all these things plus all the pesticide regulations. How can agriculture ever be expected to compete on a worldwide basis?

Thank you.

ORION: All right. Thank you for the call from California. Let me now go to studio here at Nashville at the RFD-TV studios. Sign in, please?

MR. JIM BYFORD: My name is Jim BYFORD. I'm the dean of the College of Agriculture and Applied Science at the University of Tennessee at Martin. I also appreciate this privilege.

I'd like to talk about the importance of rural America and what it's done for our region of Tennessee. First of all, rural America kind of defines who we are as Americans, and some of the adjectives I'm putting out are "rugged, independent, wholesome family values, spacious, green, natural, and basically a place we want to raise our kids." It behooves us to make an extra effort to make rural America healthy because as rural America goes, so do many of the values that we cherish in America.

In rural America 90 percent of the income of the 1.2 million farms that we have comes from off the farm. Only 10 percent of those farm families' income comes from the

farm. That means that rural America is not just farms and farmers anymore. It involves a network of rural enterprises like education, manufacturing and retail. We need to create and nurture off-the-farm employment for those spouses and for even the farmers themselves. We need to strengthen education of rural children and adults. And we need to bolster rural community infrastructure. We need to continue to show farmers how to add value to their commodities, how the different kinds of commodities to grow that would be competitive.

And has been indicated before, we're having an encroachment by urban areas and we're running into conflicts with property prices, land prices, and also odors as many of us in this room know.

Mr. Secretary, I just want to make a point and you well know it, but you have an agency already doing that, busy doing that certainly here in Tennessee, and I'm sure you have it all over the country. And that's the Rural Development arm of USDA.

Now what I'd just like to highlight and give you a glimpse of about four things they've done in our region.

ORION: Oh, we're out of time. I hate to do that to a university dean, but we're out of time.

MR. BYFORD: It's been done before, sir.

ORION: Okay.

[Laughter and applause]

ORION: That's kind of scary when you tell the dean that he's out of time.

SEC. JOHANNNS: I hope he will send me those ideas in an e-mail or letter. I would love to receive them.

ORION: That's right. We do have that option. You can write to the Secretary. You can e-mail him. And we do have that option.

Let's go to New York state and Bruce. Where in New York state?

BRUCE: Ithaca, New York. I just retired from Cornell University as an emeritus professor.

I guess one important thing I would like to emphasize is our competitiveness in the world market economy. And a little bit about food safety. Fortunately I've had the advantage of traveling the world, and I just got back from the Philippines, Japan, and we always say that we have the world's safest food system. I'm not exactly sure. I've seen some studies done worldwide, and I'm not exactly sure that's true. But what I want to

promote is competitiveness, and I think some of our farm programs have not promoted us being price-wise as competitive as we could be.

I look at, and I know this has to do with small farmers, medium farmers and I've seen the numbers. Small farmers can be as competitive price-wise as other large farmers if they want to be. And the range if you take medium price, it varies about 40 percent plus and minus. And we are supporting some of those minuses. I spent a lot of time in Australia and New Zealand working with the dairy industry, and I know that we can be more competitive.

And sometimes some of our government policies prevent us from being as competitive as we can be. It's my philosophy that if you make people compete, they'll compete. If you don't let them compete, they won't compete. And I think that the U.S. agriculture can compete extremely well, especially --

ORION: All right, and we're in the red. So thank you for that.

And now we're going to the state of Ohio, and then we'll go on to our next topic of discussion. But let's go to Ohio and Betty. What part of Ohio?

BETTY in OHIO: Oh, I'm near Columbus, Ohio. And I'm calling to speak directly to the Secretary of Agriculture.

ORION: You're doing it right now.

BETTY: And I want him to know now is the time, not 20 years from now, but now to save our young farmers and give them a way to be people of the land. We the mothers of the land, women of the land, demand this of the American people for if they have to pay the world market price our children will starve. And now is the time for all you men to stand up and to speak your mind. This is your job now, and you show us what the Congress and Senate and Mr. Bush will do for the future generations.

ORION: All right, Betty. Thank you for that thought from Ohio.

SEC. JOHANNES: Thank you, Betty.

ORION: Moving on to the next question, "How can farm policy best achieve conservation and environmental goals?"

We've talked and touched on environment tonight and conservation. But how can the next Farm Bill best achieve the goals that we have set in conservation and environment?

And you were certainly correct, the last Farm Bill was the greenest one we've seen, I think, in history.

SEC. JOHANNNS: It took a very, very big step in the conservation area. A number of programs are available. And we're seeing results all over the country. It has been a remarkable coalition. You know there used to be a thought that the conservationists could not work with agriculture. Well, the President initiated the concept "cooperative conservation" and guess what? we have the most unbelievable coalition of agriculture and fish and wildlife and conservationists. It has remarkable support.

One of the most enthusiastically supported parts of the Farm Bill is now conservation.

ORION: Good. Let's go back to our studio here, and if you can comment on environment, fine. But you were waiting before we got to the question. You are?

MR. LARRY PATTERSON: I'm Larry Patterson from Bradford, Tennessee, Gibson County. I'm honored to serve as President of Tennessee Cattlemen's Association, and we are thankful for your presence in our state, Mr. Secretary.

SEC. JOHANNNS: Thank you.

MR. PATTERSON: And in regard to the livestock industry, which is the largest segment of our Tennessee agriculture, we don't ask a lot from the Farm Bills. I think one of the things that we would ask for is common sense in the regulation end of the Farm Bill, especially even when it relates to conservation and those kinds of things. With the expense of fence posts and those types of things today we can't fence off every ditch or gravel every cow path in our pastures. And we would appreciate some common sense approach in that regard.

Also, as our cities grow and urban sprawl occurs, we need some form of protection from those people that don't understand the smells and the sounds of the sights of the farm area. And we'd ask for that protection as the Farm Bill is developed.

One other thing personally that I would like to consider since we've talked about the events that happened today in London. It's been an interest of mine that we might seriously consider strategically planning in this country agricultural zones that would be somewhat self-sufficient and independent rather than concentrating all of our feedlot areas in one place, all of our dairying in two or three states. But that we might look at particular population centers across the country and figure out how we could strategically zone agricultural areas to sustain those places in case there was a bioterrorism attack or something like that. I think that would be very important to us in our security in the days to come.

ORION: Thank you. Thank you.

[Applause.]

ORION: Well, we have several people in the studio who want to talk. We have people on the phone who want to talk. So let's try to go back and forth. Let's head out to Montana and Mike. What part of Big Sky country do you call home? Hello, Mike? Well, while we're trying to find Mike in Montana let's go back to the studio and a lady who has some thoughts for the Secretary. You are?

DOLORES GRESHAM: I am Dolores Gresham. I represent District 94 in West Tennessee in the Tennessee General Assembly. My husband and I also farm. We raise beef cattle, and we also manage the Summerville Livestock Auction Barn in Fayette County.

I wanted just to comment to you, Mr. Secretary, about the job that USDA's Rural Development does. In recent years I've had some great positive experience working with Rural Development. In our county in which the poverty level was very high, with USDA's mentorship and their leadership, in a very short period of time actually we built four community centers.

One we partnered with the municipality. One we partnered with county government to provide an ambulance headquarters for our county. One was a standalone, and one partnered with a volunteer fire department.

In addition to that we built a career center that provided a site for Southwest Tennessee Community College, which is a viable, viable site for them. And we have done some remarkable things in programs.

And I wanted to do this in three parts-- show me the money, that's fine, and that certainly took money to do this. But more than that, Rural Development's leadership in our community showed us the possibilities. They showed us the possibilities.

Let me just end with, show me how to do it by myself. So nothing personal, Mr. Secretary, so that I don't need to. So you showed us the money, you showed us the possibilities, and show us how to do it by ourselves. You've got folks here that do great work, and I'm proud to be associated with them.

I'd like to thank you personally and the President for listening to America. Thank you.

SEC. JOHANNIS: Thank you.

[Applause.]

ORION: That Rural Development program is one of the best-kept secrets in USDA.

SEC. JOHANNIS: You know, I think a lot of people would be surprised that we do that much in Rural Development, but we have Rural Development Offices throughout

the country. And I hear that kind of comment as I get around the country. They just go out there and work with their local partners -- it might be states, it might be counties, it might be a rural fire district, whatever. And some very exciting things are happening across the country.

And again, I just think that this Rural Development piece is just a part of the overall puzzle for the future of rural America. Not every kid grows up thinking they'll be a farmer or a rancher, but they may want to stay in that community where they grew up. And if we can provide the economic opportunity, support the community to make that happen, that's good. That's what we should be doing.

ORION: I think we found Mike in Montana.

SEC. JOHANNIS: Okay, great.

ORION: Okay. Mike, where are you in Montana?

MIKE in MONTANA: Orion, I'm in North Central Montana, halfway across the state, right against the Canadian border.

ORION: Uh-oh, okay. What's your comment?

MIKE: Orion, I feel that conservation must continue to be a key component of the Farm Bill. We've had some very successful programs in the past, some EQIP, CSP, the CRP programs, the WIP and the GRP. And I think they're very important to continue that.

My other comment is, we need adequate funding for technical assistance. Technical assistance is essential for a successful Farm Bill. NRCS's presence at the field level and the technical assistance the agency provides are critical to the success of conservation in the U.S. Technical assistance, I think, enables many landowners and producers to apply conservation practices without necessarily requiring financial assistance.

And these are just some of my comments. Thank you very much.

ORION: Well, thank you. And back to the studio. And you are?

MR. JAY BARR: I am Jay Barr from Southeast Tennessee, Monroe County. And I would like to especially thank you for the opportunity to be here and to speak, but also thank you for putting a personal spin on the Farm Bill and being active on a personal level in seeing how these regulations actually affect people and how to better do things on a personal level.

Thank you.

SEC. JOHANNIS: Thank you. Glad to do it.

MR. BARR: My comments are, I think eliminating the 'death tax' is essential for the young farmers and ranchers to maintain the viability of the family farm. But also another bill that I would like for you to consider and to bring up is, there's a Young Farm and Rancher Capital Gains Tax Bill going through. And I would like for you to put forth some effort to get this bill put through. I don't know the number on it actually at the moment, but this bill will also allow young farmers not only to maintain the size of the family operation they have, but hopefully allow them to grow their operations and to become more profitable by buying more land and hopefully this capital gains tax bill could offset some of the land cost. Thank you.

ORION: Thank you.

[Applause.]

ORION: And until we get back to the phone, Jack from South Dakota?

JACK: Yeah.

ORION: All right, you're on. What's your comment for the Secretary?

JACK from SD: Well, I'm a Soil and Water Conservation District board member, and I'd just like to let the Secretary know that current Farm Bill programs are working great in South Dakota. We have a great working relationship between NRCS and the districts. And we see CSP as the program of the future, but it needs more funding of course to make it successful and covering the ground it needs to.

We'd also like to see CRP stay to just the highly erodible or the critical lands, being offered just for that. We've got a number of acres I know in my state that were enrolled and the landowner just did it so that they didn't have to farm anymore. And there's some relatively good ground that was accepted into CRP early on in the first contracts that probably we can do better in meeting the needs of the erosion concerns by limiting it to just HEL or critical land.

And of course then EQIP is another one that's very popular program out here that's terribly under-funded, and it needs another shot in the arm there in order to meet the needs of the landowners.

ORION: More and more dollars.

JACK: Yes, as usual.

ORION: Okay. Thank you for your call.

JACK: You're welcome.

ORION: And let's go back to the studio, and we have a gentleman over at this microphone. You are?

DANNY MCWILLIAMS: Danny McWilliams, Jr., from Calvert County, Alabama, Tuscumbia, Alabama. I'm a cattle farmer. I wanted to thank Mr. Secretary for being here tonight. I appreciate everything that USDA does. We have a very good working relationship with our county office in Calvert County. They're a bunch of good people. Most people in our area are good people that are with USDA.

I have a few comments. I am for animal ID in the cattle industry, I support my agriculture commissioner in Alabama, Ron Sparks, for his efforts in establishing the premises ID program we have in Alabama that's establishing an ID program and that will have a database of all the farmers that have cattle in the state. And I want to encourage you to keep that information within the state and that it not go to Washington. I think that's important if there's an emergency that that information is kept in the state.

Another comment that I have is, as far as young people in agriculture, an example that I have growing up-- I lived on Moody Lane in Cherokee, Alabama. We had 10 farmers on our lane; we called it Moody Lane. Now we have less than a third-- three of them are still working there. And that's, it's depressing to see that. It really is.

And as far as helping out young people, I think we need to help promote agriculture as much as we can, promote our farmers, promote our products that we make through marketing tools that you can use with USDA.

And the last thing I have is probably the most important point that I have is, do all that you can to keep money and power out of agriculture. I think that is what's hurting agriculture is seeing big money and big power corporate farms take it over. Thank you.

ORION: Thank you, sir. Thank you very much.

[Applause.]

ORION: We head out to Oklahoma now and say hello to Shannon in Oklahoma. Where in Oklahoma, Shannon?

SHANNON: Eastern Oklahoma.

ORION: Okay, and your comments for the Secretary?

SHANNON from OKLAHOMA: First of all, I would like to thank him for accepting the role as our leader. I work for the Farm Service Agency, and I'm very good friends with people in NRCS. And I was calling in regards to conservation, and not only conservation but the promotion of all the farm programs.

If the Secretary could do anything, it would be to promote our programs and to not cut our funding. Everything that I've heard this evening on the Farm Bill is extremely important, but if our funding is cut any further then it will be very detrimental to not only all the farmers but conservation in general. So if the Secretary could do anything for us, it would be just to protect the funding and try to keep the funding that we have now available to the producers so we can serve them the best that we can not only in agriculture but in the farm programs altogether.

And I want to thank him for the job that he's doing now.

ORION: All right. You're hearing from a lot of your employees tonight.

SEC. JOHANNNS: I love it. They're great people out there. And you know if I could solve all those budget issues-- man, I could be king or something.

ORION: You could be, you would be king if you could do that. Let's go back to the studio here. We have a young lady wearing -- is that a 4-H clover shirt? Okay. You are who?

CHRIS CERREAD: My name is Chris Ceread, and I'm a member of the Wilson County 4-H group. And I plan to attend UC when I graduate, then apply to vet school to be a large animal vet. I've watched my family struggle with farming, as well as other farmers in my community. I think we can agree everybody here loves farming, but no one here is happy with the process at home.

This makes my future in agriculture, Mr. Secretary, very bleak. We need to start fixing things at the farm first. Thank you.

ORION: Thank you very much.

[Applause.]

ORION: Encouraging that the young people are laying out their ideas, because it's their future.

SEC. JOHANNNS: Yeah. It's so encouraging. And good luck to you as you head off to school, and hopefully some day we'll be calling you Doctor. So best of luck.

ORION: Yes. Let's go to the state of Ohio, and Kenny, sign in, please. Where in Ohio?

KENNY REIDLINGER: North Central Ohio, Orion. Kenny Reidlinger here. I'm president of the Soil and Water Conservation Ohio Federation here in Ohio.

ORION: And your comments for the Secretary?

MR. REIDLINGER: Comment and thank you, Secretary Johanns, for the opportunity here tonight to give these comments. I do believe, firmly believe, that the conservation must continue to be a key component in the Farm Bill. NRCS and the presence at the field level and the technical assistance that agency provides along with FSA and our conservation districts-- and we all have a real strong relationship-- that technical assistance money needs to get into NRCS to fulfill some of these things.

In many cases the financial assistance is an important component in achieving agriculture sustainability both economically and environmentally. The Farm Bill needs to be crafted in a way that more fully meets America's needs for both a healthy environment and a productive agriculture. Conservation Security Program should be the national conservation umbrella that USDA farm programs work under.

Those watersheds that are targeted and they haven't been targeted all over, the expansion of those targeted watersheds needs to take place in this next Farm Bill. The vast majority of farm operators and landowners given the opportunity and resources, have conservation and natural resources as a major priority. And so does the general public. It's all in the best interest of the general public as well.

We look forward to, conservation districts look forward, and are willing to bring more information and input into the discussion on the Farm Bill issues over the next several months as well as to help implement the Farm Bill's conservation initiatives.

ORION: And we've just gone red, Kenny. Okay? Thank you. Kenny from Ohio. And let's for the final comment on this question before we come to the studio -- because we've got a lineup here in the studio too -- let's go to Illinois and talk to Terry. Terry, where in Illinois?

TERRY in ILLINOIS: Roseville. And good evening, and thank you, Secretary, for hosting this forum. Recently I had the opportunity to meet you and be with you when you talked about the renewable fuels in Illinois and the importance to conservation. I think there's a tie-in between these two, and I'd like to see this addressed in the next Farm Bill that we have an opportunity to not only protect the natural resources of our country but also to supply our needs.

Some of the areas of this country that are fragile lands right now currently that are relatively unproductive I think have an opportunity to become renewable fuel fields bringing in resources from biomass overproduction of crops and changes in this rural landscape.

An earlier caller came in this evening talking about the need to have young farmers come back to America and work the farms. We do need to strive to do that, and I think by changing our role from a basic food producer to also a food producer, energy producer, and protector of the environment that we can raise the level of American agriculture back to where we are very proud of it and we'll have young people want to come back to the farms; and also producers that are on the farms today will want to

remain on the farm. Thank you.

ORION: Thank you very much, Terry from Illinois. We're moving on to our final question. We're getting to the sixth one tonight, and we're going to combine this one with generally open comments if anybody has anything they want to bring up on this.

But here is the question, number six, posed by Secretary Johanns. "How should agriculture product development, marketing and research-related issues be addressed in the next Farm Bill?"

"How should agricultural product development, marketing and research-related issues be addressed in the next Farm Bill?"

And our telephone number is 1-866-547-9696. But we're also taking general comments on any area of the upcoming Farm Bill. And let's go back to the studio, and we have a gentleman at this microphone, and you are?

MR. A.T. TERRY: My name is A.T. Terry, and I'm a poultry farmer here in the state of Tennessee. I have a real problem with what's happening in agriculture, especially in contract agriculture. These companies come in and they say, here's the deal, we'll pay you this much, build a farm, grow our chickens for us, and then later on through the years they start changing that deal. And so we're left high and dry. We can't do anything about it because they can hold the value of our asset, our poultry barns, over our heads and hold it over our heads and make us go to any lowest cost that they want us to go to. That's what's happening in contract agriculture right now.

Why isn't the Packers and Stockers Act of 1921 being adequately enforced, and why aren't investigations of the complaints that poultry farmers like me have been doing? I've made complaints, I've had the head of the GIPSA office out in Atlanta out to my house in explaining the economic frauds of what's going on, and nothing is happening. We don't get any investigations, we don't have anything happening to protect the farmers.

When I made my complaint public, Tysons cut me off of growing chickens. Now that's why farmers in contract agriculture are not talking to you and telling you what's going on because the guys that run this corporate agriculture are cheating the American farmers out of the producer surplus. And that has got to stop!

ORION: Thank you, sir. Thank you.

[Applause.]

ORION: He knows two minutes. He just went to red when he said, that's it. So thank you very much. We're going to the state of South Dakota now where Dennis is waiting to offer his comments to Secretary Johanns. What part of South Dakota, Dennis?

DENNIS in SD: I'm in the Northeast corner in Roberts County.

ORION: Dennis, can I ask you to turn the sound down on your TV? Otherwise, we're going to be waiting for your answers. So if you'll turn the sound down, then we can carry on the conversation. And your comments for Secretary Johanns?

DENNIS in SD: Okay. I guess I'm going to back up a couple of minutes, but there was another one that referred to it slightly too. But I am the inheritor of a conservation easement, which is a permanent easement for all time. I think we really, truly need to look at what we're doing. I'm not for sure that we have the right to sell the rights of others into the future. I think we're all too young on this planet to understand all that is going to happen that we should just stagnate everything that happens.

We can graze our land. But my biggest question would be, what if? What if grazing becomes unproductive? How do we survive on a ranch that doesn't have anything else that's available to it?

I know at times there's been other projects derailed such as wind electricity and things like this because of restrictions in them. These contracts, if they are to persist, need to be two-sided contracts, not contracts with one thought-mind in place. And so my purpose of this call is to just say, I don't believe they're a good deal unless we review them and look at what the effects are going to be to our small communities or communities anyplace.

ORION: Thank you very much, Dennis, for that call. Let's go to a patient gentleman at this microphone. And you are?

MR. PAUL FUGUS: My name is Paul Fugus. I'm a beef producer from upper East Tennessee in the foothills of the Appalachians. And I'm proud of the opportunity to address the Secretary, first. I'm also proud of the conservation work that we've done on our farm. Our farm's been in the family for over 200 years, and I know what it means to have farming in the blood.

We have implemented some of the topics that have been touched on here tonight - stream land fencing and other better management practices. These programs are worth funding, and I want President Bush to be the conservation president.

But if we allow the Congress to take CSP funding and apply it to disaster payments, we are not only hurting the air and the soil and the water that I use -- because I'm not on city utilities and I'm the first one, the frontline, the first steward of the natural resources that have been bought from each proceeding generation in my family farm.

If we allow those resources to be, if we allow the funding to be taken out of the CSP programs, you're jeopardizing my five-year-old, my two-year-old, and I've got a zero-year-old on the way. I want-- I want my children to have the cleanest possible water and the cleanest possible air and the best possible soil condition so that if and when they are able to farm it's in better shape than it was when I just -- I just made a land payment

two days ago, so I know what's, I know what we need to do. And I know that the whole American public will benefit if we continue to protect the cost-share funding that is available in the 2002 Farm Bill for the Conservation Security Program.

ORION: And we've just gone red. You made your point well.

MR. FUGUS: Thank you very much.

[Applause.]

ORION: I'm impressed by the ability of articulation that I'm hearing here tonight. They're making their points very well. So let's give Jack in Mississippi an opportunity to do that. What part of Mississippi, Jack?

JACK from MISSISSIPPI: I'm from Southeastern Mississippi.

ORION: And your comments for Secretary Johanns?

JACK: Mr. Secretary, thank you for your time tonight. I want to speak briefly on the conservation aspect of it. One of the greatest success stories this nation has ever known has been the partnership between the NRCS and the conservation districts. And we need to continue this. We've got a great Farm Bill going now. One of the key things that's going to be maintaining adequate technical assistance for the NRCS people, and I would urge you to do everything you can to make sure that we maintain a strong technical staff within NRCS. The technical service provider idea has some merit, but we have seen what it actually costs more to carry out practices with this than it does using NRCS personnel. So as the president of the Mississippi Association of Conservation Districts and a farmer, I want to urge you to do everything you can to help us to keep a very strong technical assistance program through NRCS. Thank you, sir.

SEC. JOHANNNS: Thank you, Jack.

ORION: Thank you very much. Before we head to Wyoming, we're going back to the studio. And sign in.

COMMISSIONER SPARKS: Thank you, sir. I'm Commissioner Sparks from Alabama. Mr. Secretary, I want to thank you for picking the South to come to, and I hope you and your wife have enjoyed some of the southern hospitality that we have to offer in the South.

But first of all, I hope there's been a lot of people that have listened to this forum because sometimes I don't think people realize that agriculture has been a vital part of this nation's national security; and that in Alabama back in '50s and '60s we had over 250,000 family farms. Today records will indicate that we have less than 45,000 farms. And the next eight to ten years we're going to have the largest transfer of property than in the history of this nation.

And you're correct-- we need to do everything that we possibly can to make sure that that property can be transferred to these young people and that they can maintain a family farm to produce production agriculture.

I am extremely encouraged by what you say about alternative fuels because I am a firm believer that every gallon of oil that we can produce in Alabama is one less gallon we bring out of that desert. And I'm extremely encouraged by your comments on that.

And I want to thank you again for coming to the South, look forward working with you on this Farm Bill to protect the farmers of this great nation. Thank you very much.

SEC. JOHANNNS: Thank you. Well said.

ORION: Thank you.

[Applause.]

ORION: Now we'll head for Wyoming. And Olin, what part of Wyoming, sir?

OLIN from WYOMING: I'm from McFadden, Wyoming, about 100 miles west of Cheyenne.

ORION: Okay. We know where you are. Your comments for Secretary Johanns?

OLIN: Good evening, Mr. Secretary.

SEC. JOHANNNS: Good evening.

OLIN: I'm a rancher in Wyoming, and I'm also tonight speaking as the second vice president of the National Association of Conservation Districts. I am here tonight representing the nation's 3,000 conservation districts that are charged with protecting the nation's soil and water resources at the local level. Mr. Secretary, I'd like to take this opportunity to stress the importance of the Conservation Title of the current Farm Bill and encourage you to include the same provisions in the 2007 Farm Bill.

The ag industry has done an outstanding job of enhancing our soil and water resources utilizing the conservation programs in the current Farm Bill, and we need to ensure the industry and the nation has the same assistance available to us in the future. It's critical that we provide ag producers with adequate conservation technical assistance through the NRCS to help us produce an ample food supply while protecting and enhancing our soil and water and air resources.

Many of these producers utilize this assistance from the NRCS requiring financial

assistance, make good conservation-minded decisions. And that type of assistance is very critical to the industry. The current Farm Bill program has helped ag producers develop thousands of acres of new wetlands and has also helped protect millions of acres of highly erodible lands. And we must ensure, Mr. Secretary, that these programs are available in the next Farm Bill.

The Farm Bill Conservation Program currently available, such as the EQIP program has helped producers bring their operations into compliance with federal rules such as the CAFO rule to meet the demands of the Clean Water Act. This technical and financial assistance both helps the stability of the ag industry and also is an investment into the enhancement of our natural resources and our community.

Mr. Secretary, the 2007 Farm Bill needs to address issues adequately across the board from cropland conservation to grazing and grassland issues, wildlife as well as forestland enhancement, and we need to look at the future for helping producers shift into renewable fuel production.

ORION: Thank you, sir. You just hit red. Thank you, Wyoming. We're surrounded by ladies here. We have ladies at both microphones, and I think you've been there longer, so you are?

MS. DALE GRAY: Okay. Well, my comment is a general one. It's not specifically to the last question, so do you want to, do you want me to wait, or?

ORION: You've got the microphone.

MS. DALE GRAY: Go ahead. Okay. I have the microphone. Okay. My name is Dale Gray. I'm from Nashville. And I really am connecting a lot with all the things people are saying about farms. I grew up on a farm, northeast FLaurieda, potatoes and cabbage and potato capital spuds. So you know, how more potato could you be? Grew up in spuds. But I now work in Nashville with a hunger organization, so my comments are about how the Farm Bill affects people who are not directly connected with farming and the Food Stamp program is what I'm concerned about.

And I know it's not one of the six questions, but I just couldn't pass up the opportunity of having you here, Mr. Secretary, and not talking about Food Stamps and about how important it is. And I know you're very well-aware of the statistics about how many people in this country, 36 million people, are food-insecure, meaning they don't know where their next meal is coming from. And 26 million of them get Food Stamps.

So on the one hand it's just so important we feel like for Manna -- that's the name of the organization I work for -- that people we see every day how important it is for people to get Food Stamps-- elderly, disabled people, people who are working full-time, full-time but working at low wages, and they don't have enough money to buy all the food they need for their families. And they need Food Stamps.

So it's just really important to continue the Food Stamp program at its current -- or not to cut funding for it I guess I would say. And it's structure.

ORION: Okay, you're --

DALE: Am I at red?

ORION: Yeah, you're out of time.

DALE: Red already. Okay. I'm at red. Okay, thank you.

ORION: But you made your point. Thank you very much. Food Stamps still make up a large part of the budget.

SEC. JOHANNIS: You know, Orion, in this session we haven't dealt much with our nutritional programs, but we're going to a whole list of forums on that nutritional piece of our budget. Her observation is right-- we do three major programs. We do other programs relative to nutrition, but Food Stamps, Women Infant and Children, and then the Lunch Program at schools is also a USDA program. And people often look at the USDA budget and say, well that's about farmers and ranchers and farm programs, etcetera. Not really. Over 50 percent of the USDA budget is actually doing nutrition programs. It's the Lunch Program at every school in America, it's the Breakfast Program at many schools--it's Women, Infants, and Children--and it's the Food Stamp Program.

And through those programs we are major participant in feeding needy people across America. So we will be doing some programs or some forums I should say on these programs across the country because they are important.

ORION: We're hearing a lot from Oklahoma tonight. We're just burning up the phone lines to Oklahoma. And Harry, where in Oklahoma?

HARRY in OK: Central Oklahoma.

ORION: Okay, and your comment for Secretary Johannis?

HARRY: Well, first I'd like to -- I been watching your show here, and I admire the way the Secretary's actually just listening and not speaking.

[Laughter]

HARRY: And, Orion, I've watched you for years, and I love you. But I'm going to move on.

ORION: All right. Thank you.

HARRY: Something in the Farm Bill I'd like to see is you address the issues of

farm production workers. We're always talking about farmers; I know there's a million or so of them in the country. And how many millions of production workers is there?

There's a certain law that excludes production workers from overtime pay. A production worker that makes \$7.00 an hour working 55 hours a week in real dollars is making about \$580, which is barely over minimum wage. If they were-- you know if they could change this law, that would come up to \$200 or \$300 a month for an average family, okay?

Many of the production workers that are in production agriculture are there because they enjoy it. That \$200 to \$300 a month if invested properly over 10 years could maybe start another small farmer in our country.

Many of these people are in areas that the corporations are taking advantage of because there's no jobs, so they have to work those jobs to live in that area. And I think this issue would be well addressed and good for the country if it was to change that law.

ORION: Thank you very much. Okay. Let's go to the studio microphone. And you are?

LEA CHRISAWN: My name is Lea Chrisawn. I am the president of the McMinnville Warren County Chamber of Commerce. We are the nursery capital of the world of all the counties, the 95 counties in the state of Tennessee, over 50 percent of all nursery stock is grown in Warren County. We're on the eastern edge of the middle part of the state.

Mr. Secretary, the rural development program has been wonderful for our community. Even though we have over 400 registered nurseries in our community, about 84 percent of our labor force, workforce, actually works somewhere else. Manufacturing has been a large part of our community's economic development. We, like many communities, are losing that economic development. And speaking to so many of our existing industries, one of the challenges that they have is that they have to update and bring in new technology just so they can stay in business. They want to stay in the market, but to compete with some of the foreign trade particularly they are having to buy new equipment.

And I would urge that the Rural Development part of the bill consider helping those small businesses that are just trying to stay alive, and they're having to do that by buying new equipment.

We also are very progressive in our community. We have a biodiesel program in our community that was started by our local utility, and anytime you want to come with the President we'll be glad to have you come look at our biodiesel because it will be part of our electric system.

SEC. JOHANNIS: Great.

LEA CHRISAWN: But we also have benefited from the rural development. Our facility-- we have a community facility that we have been able to get grant money and loan money. Also we have a farmers market that is wonderful for our local farmers. And we also are developing housing particularly for the Hispanic community that has come in to work on our nurseries.

ORION: And you've just used your time.

MS. LEA CHRISAWN: Oh, goodness. How quick. Thank you very much.

ORION: Thank you very much for joining us here tonight.

[Applause.]

ORION: That's the toughest job I have tonight is telling people they have to quit.

SEC. JOHANNNS: I know. And that's a person that's very proud and rightfully proud of what you're doing in your community, and it's so pro-agriculture that's exciting. I hope everybody across America was listening to that enthusiasm in your voice. So.

ORION: Let's head for Texas. And Janice, what part of Texas?

JANICE in TEXAS: I am on the Gulf Coast of Texas, Matagorda County between Houston and Corpus Christi.

ORION: All right. Secretary Joh anns is listening.

JANICE: Okay. Well thank you first of all for taking my call. My question is regarding the biodiesel program. We just heard from the lady before who said that they have started a biodiesel program in their community. However, it's become quite a buzzword in Texas but we've not seen a lot of it. I've not heard a lot about it. It just seems like it would be a program that would be beneficial to all those involved in it. It would provide a source for our farmers to go with their products.

We live in a rural county that is close to petrochemical, and I see the petrochemical plants getting bigger. I see our farmers getting smaller, having to leave the farming industry. We ourselves farm; we raise hay and cattle. And I would like to see USDA if possible put some more money into the research to help put money back into the communities through other biodiesel programs.

ORION: Thank you very much.

JANICE: Thank you.

ORION: I'll bet somebody can help her with biodiesel information.

SEC. JOHANNIS: We can. We can put some people together to help you and give you some advice. Just a general thought on biodiesel. If you track the history of ethanol over the last 20 years, ethanol started quite small and people wondered, is there going to be success here? And then especially in this President's administration it's just grown exponentially. We are seeing so much enthusiasm for ethanol, and ethanol as a blend in gasoline now is very, very common across the United States.

I believe biodiesel has that kind of future. It's an industry that I believe we can grow, and again it makes so much sense. It lessens dependence on foreign oil, it's good for the environment. It's created from products we grow in abundance in this country. So you should get in touch with us. If I can put some people together to head your direction, we'd be happy to do it.

There's some things happening in the biodiesel area from an incentive standpoint that might be worth looking at and might work for your part of Texas.

ORION: All right. Let's go back to the studio. And you are?

MR. JAY TUCKER: My name is Jay Tucker from Giles County, Tennessee. I'm a row crop farmer. The last two people have covered what I'm fixing to comment on, but it falls into the question of the conservation and environmental goals.

Mr. Secretary, we do greatly appreciate you being here and to let us in the agricultural family voice opinions of agricultural policy. Furthermore, I'd like to say ditto to my friend Jason Lucky on his comment on the payments causing rental rates to go sky-high.

But to get back to the question, my answer would be to conserve our natural resources such as corn, soybeans and others that we produce as American farmers and produce an environmental-friendly product such as ethanol and soy-diesel, biodiesel- and stop relying on foreign oil for energy needs.

We can produce an abundant supply of products that can be used very easily. We need more incentives for producing our own energy. For instance, we need further government assistance and supporting in setting up more plants over the country such as the Southeast where we are now, for production of energy such as ethanol and other renewable fuels.

Also the necessity to further educate the American public on how environmental-friendly this process is. They need to know there's no waste left after this production.

I am currently involved in setting up an ethanol/biodiesel plant here in the Southeast near the Alabama/Tennessee state line. And we wish that the new Farm Bill and legislature will continue to support the need for ethanol and biodiesel plants in this country.

I know that all the American people would rather support an American farmer for energy than foreign dependence.

ORION: Thank you. And you did it in two minutes. Thank you very, very much.

[Applause.]

ORION: Let's go to Virginia. Anisa (sp). Where in Virginia?

ANISA: Hi. Thank you for giving me the opportunity to speak and for listening to all of the, in the agricultural world. We have a small family farm in Virginia, and I just, I hope everyone knows American farmers are not getting any younger as everyone obviously realizes. We really need to make money more available to farms that are willing to educate young people. I run a 4-H group and our farm does. More money needs to be available to family farms that are looking to begin or even expand. The tobacco buy-out here in Virginia gives farmers money over a number of years so they don't plant tobacco, but they lack the knowledge of doing something more.

I think we need to definitely help support model farms that will educate those farmers on expanding and finding something value-added where they can increase their sustainability and help the environment and conservation at the same time.

ORION: Okay, thank you, Virginia. Anise in Virginia. Thank you very, very much. Back to the studio. And you are?

MR. LUKE WEST: My name is Luke West, and I work for the Tennessee Cattlemen's Association. First of all, Secretary Johanns, I appreciate you doing this forum. I guess the big topic in the cattle industry for the past several years has been the National Animal Identification system. It's something that the cattlemen are very concerned about.

Cattlemen's concerns are primarily confidentiality, cost, and I don't want it to change how we market cattle. I think that there's some industry-driven solutions that are out there now; we're already using them, and I think those should be a model for developing the national animal identification system.

Producers want ownership and control of that information. They don't want anybody else to own or control it. This system should be used, the premise for developing the system is that it's to be used under the Animal and Plant Health Protection Act -- I can't remember exactly what it's called.

ORION: Call it APHIS.

MR. LUKE WEST: Yes. It should only be used for disease surveillance. If the

department of state veterinarians or federal animal health officials need that information for disease surveillance, that's the only information they need. They don't need the information about production data. All of that should be in a private industry system.

Other than that, eat beef.

[Applause.]

ORION: All right. Oh, believe me, I do. Hey, we've not heard from Vermont, but we're about to change that.

SEC. JOHANNNS: Great.

ORION: Because Jackie is checking in from Vermont. Where in Vermont, Jackie?

JACKIE in VERMONT: We live in Cabot, Vermont, up in what they call the Northeast Kingdom.

ORION: I know where you are.

JACKIE: Good.

ORION: Okay. Your comment for the Secretary?

JACKIE: Thank you very much for the opportunity. My husband and I have a small dairy farm in Cabot. And I also happen to be president of the Vermont Farm Bureau. And Mr. Secretary, I'd like to personally invite you to come to Vermont and view all of the wonderful types of agriculture that we have up here. Of course you probably know that dairy is a large part of our agricultural world, but diversification is very important too. On a lot of our farms we have cheese makers as well as other types of value-added farmers. And they need market knowledge. They need business planning. They need infrastructure for distribution of their products. They need access to institutional buyers such as schools and hospitals and that sort of thing. And above all we need to continue to educate the public on the importance of farms.

I think there was a comment earlier that the support programs were not for the farmers; they were for the consumers. And that's probably one of the most important things I heard tonight.

So thank you very much, sir. And we hope to see you in Vermont.

SEC. JOHANNNS: That would be great. I'd love to go to Vermont.

ORION: We'll do it in October.

SEC. JOHANNNS: Absolutely. You know when she talks about the small dairy farm, it brings back a lot of memories, and it probably does for you, so.

ORION: Indeed it does -- 30 cows.

SEC. JOHANNNS: That's what we had too.

ORION: 30?

SEC. JOHANNNS: Yeah. We always figured if we were right around 30 cows that was going to work for us, and it did. Grade B operation, 10-gallon cans. You lift it into the cooler.

ORION: Oh, you got it all.

SEC. JOHANNNS: Yeah.

ORION: Yes. We had six sows, 200 chickens, a dog and 13 cats. And that --

SEC. JOHANNNS: Well, if you had dairy you had cats. They showed up.

ORION: And I am the five-time Illinois state cow milking champion. Don't mess with these hands.

SEC. JOHANNNS: Well, I won't. I appreciate the fair warning.

ORION: All right. We are heading for -- well, let's go over here and talk to this gentleman, and then we'll get back to the phone.

MR. TERRY MULLIGAN: My name is Terry Mulligan. I'm also from Warren County, but I work for Electric Cooperative, which serves four counties in the middle part of Tennessee.

And I wanted to express our support for the USDA programs that are in economic development. It has meant a lot to our area. Since 1996 we've used primarily the Rural Development in RedLake (sp) Program and grant program and other programs that have provided up to over 1,000 jobs in our service area and has assisted in over 30 small companies being able to sustain themselves and also to reformulate and make their self competitive. So certainly it's helped our small businesses, and it's very important to our area.

And we have had especially here lately with a lot of the larger businesses like our carrier corporation and others that have 1,300 jobs and 500 jobs, and those going offshore certainly brings a challenge to our small business in our communities to make them viable. That shows the strength of our America I think when you see entrepreneurs and your small businessmen able to change courses and still make it work. And we

encourage the USDA to continue to fund that properly. Thank you.

ORION: Thank you.

[Applause.]

ORION: I would like to stand up for awhile. Would you like to?

SEC. JOHANNNS: You know, that sounds great. Let's do that. Stretch out.

ORION: Not you, but the Secretary and I do get to stand and stretch out just a little bit. And we have a lady over here at our studio microphone. And you are?

MS. SUE BAILEY: I'm Sue Bailey. And I do want to address number six which is --

ORION: Number six, which is, "How should agriculture product development, marketing and research-related issues be addressed in the next Farm Bill?"

MS. SUE BAILEY: Yes.

ORION: You're on.

SUE BAILEY: I teach at Tennessee Technological University and the College of Agriculture and Human Ecology. And in the area that I direct, Human Nutrition, Fibers, Textiles, it's very important, as well as we have a very viable agriculture program. I think these issues can best be enhanced if funding is there for research and education, which we have heard that before tonight.

But my concern is, being from a state university not a land grant university; I don't have those huge resources to be competitive in proposal writing to receive those grants. I would encourage you to look at that process so that not only land grant but state universities could be successful in receiving funding to address all the issues that are in Number Six. Thank you.

ORION: Thank you very much.

[Applause.]

ORION: We're going to head for your home state of Nebraska, Governor. Is that okay?

SEC. JOHANNNS: That sounds great.

ORION: All right. Susan is on the line, from where in Nebraska, Susan?

SUSAN: In the eastern part of the state.

ORION: What town?

SUSAN: Surprise.

ORION: I bet you drove there in what the Corsair or whatever it was you had?

SEC. JOHANNNS: Chevy Corsica.

ORION: Oh, Corsica. Okay. Right. Okay. Your comment for the Secretary?

SUSAN: My comment is to kind of reiterate what he had said earlier when it came to what the USDA budget is all about with the WIC and the nutritional programs. I think what it comes down to is a lot of better education to the nonag sector in the United States.

I mean here in Nebraska I think we've got a great understanding about what agriculture is all about. But when you get into some of these other communities and other states with large populations, I don't think they have a full understanding about what happens on a day-to-day operation and what the Farm Bill means. I get comments from non-ag people that it's the Whiners Bill is the comments I get from some folks.

Unfortunately without them understanding-- maybe the USDA could come up with some sort of PSAs or ways they can promote how important this Farm Bill is to the ag community. And we've got great programs here in Nebraska like the Ag in the Classroom and the Ag Pen Pals, giving those producers the opportunity to really get one-on-one with the young children to educate them.

ORION: Thank you very much from Nebraska.

SEC. JOHANNNS: Yeah. Susan's comments are great. You know her observation, I talked a little bit about the nutrition programs constituting over 50 percent of our budget. Most people don't realize that we also have the Forest Service under our umbrella, so when you see the forest fires out there and we're dropping people in, those are USDA people. Those are Forest Service people, but it's in our budget. And when you add all that together, this department is so much more than farm policy programs.

But Susan's observation is right. When it comes to the farm policy programs, we affect agriculture all across the country. All across the country.

ORION: We have a gentleman who got the Blue Shirt Memo. He is wearing blue shirts like you and I.

SEC. JOHANNNS: Yes, he did. He did get the message.

ORION: And you are?

MR. AL GROUSABLE (sp): My name is Al Grousable. I'm from Illinois. I work on ag energy issues. I grew up listening to Orion.

ORION: Thank you.

MR. GROUSABLE: Thank you, Mr. Secretary, for being here. I wanted just to make two observations. The first is that it seems to me that we do find opportunities when we have challenges. We found that with conservation and the ag community responded and responded very effectively. Seems to me on the energy front we also have great opportunities, and the ag community in particular has a great opportunity.

I happen to think that energy represents really the next generation for the agricultural community, so I just wanted to compliment the department how you've handled the energy title and also to suggest that there's more that we could do there. And I would hope that's where you might put some of your energies in the 2007 Farm Bill.

SEC. JOHANNNS: Good. Thank you.

ORION: Energy into energy.

SEC. JOHANNNS: Yes. You know, an observation about the comments relative to energy. There are some who say just do the Farm Bill again, do the same thing all over again. But if you think about this Farm Bill and you went back even a decade and promoted conservation a decade ago, if you promoted biodiesel and ethanol, people would have looked at you and said, what are you thinking about?

But see, that's the point. You authorize Farm Bills for a period of time, and the Farm Bill that makes a tremendous amount of sense in 1985 may not be the right Farm Bill for 2005.

The Farm Bill that made sense in 2002 may not be the right combination of things as you think about a Farm Bill that will last well into the next decade. So that's what these forums are all about, to try to gauge that interest and support and flesh out these ideas. This gentleman's observation about energy-- I think he's absolutely right. I think there's a great opportunity here in agriculture. We've seen it in ethanol, and I believe we can continue to grow that biodiesel, biomass, ethanol and a whole host of things that will lessen our dependence-- which I think really gets America to buy into this.

ORION: I think you're right. So you have challenge and you have opportunities.

SEC. JOHANNNS: Yes, we do. Absolutely we do.

ORION: It's going to be an interesting time for you as Secretary.

SEC. JOHANNNS: Yes.

ORION: Let's go to Texas and Bob. You're with us from where in Texas?

BOB in TEXAS: Clarendon, Texas, home of Congressman Mac Thornberry.

ORION: And your comment for the Secretary?

BOB in TEXAS: Research and development. Mr. Secretary of Agriculture, thank you for the opportunity to speak with you tonight. We are, I'm a president of Panhandle Peanut Growers Association on the American Peanut Council Board of Directors. We have funded research and development on a competitive fungus that competes against apple toxin. And I realize there's been government dollars that's been kicked in on this, but there's also been dollars kicked in from each one of these organizations that I mentioned. And my comment is that we need some way to protect this industry, this technology going overseas and becoming a competitive -- affects our competitive market worldwide.

We need something there to protect these people that funded this stuff. If the next Farm Bill allows that, I think that's something we should address.

ORION: Thank you very much. That's an interesting idea.

SEC. JOHANNNS: Interesting idea. It is. Appreciate that.

ORION: Okay. We're going to Iowa, and I didn't catch the name. Who's checking in from Iowa? Cheryl?

CHERYL: Yes, Western Iowa, Monona County.

ORION: Okay, Cheryl. Your comments? Oh, Cheryl, you're going to have to turn the sound down on your TV set. It will just confuse you, so turn it down if you would, please. And then we'll talk. Are you with me, Cheryl?

CHERYL: Yes, I am.

ORION: Okay, very good. Your comment for the Secretary?

CHERYL: I'd just like to say thank you for having these forums, and I work for the Farm Service Agency. And one of the things that concerns our county is young farmers not being able to get the credit that they need to start farming and to buy the land that they need. And I would hope that he would look at the funding for the ag credit part of the USDA and not cut that or make some more different kinds of loans available for young farmers.

ORION: How long have you worked for USDA?

CHERYL: 25 years.

ORION: 45 years!

CHERYL: Oh, 25.

ORION: Oh, 25. Whoa. I've been at my radio station 45 years, but she didn't sound like she'd been -- okay. Thank you for your suggestions. As we continue to hear from people who are out there?

SEC. JOHANNIS: Yes. Which is great, which is outstanding.

ORION: Oh, we have a gentleman over at this microphone. And you are?

MR. EVELYN ROBERTSON: My name is Evelyn Robertson. I'm the director of the Southwest Tennessee Development District in Jackson, Tennessee.

The Southwest Tennessee Development District is an economic and community development agency, and Mr. Secretary I want to commend you on hosting this forum. It's been very informative. There are a couple programs that our agency has had an opportunity to work with the regional USDA office in Jackson, and I'd like to encourage the continued funding of those programs-- one being the Rural Business Opportunity Grant and the Rural Business Enterprise Program.

Those are programs, which have enabled us to provide technical assistance to small businesses in our particular region. We most recently received a grant, which we're getting ready to implement now, a program to provide e-commerce training and technical assistance to businesses within our particular area.

And we would like to encourage you to continue the opportunities for that type of funding in the 2007 Farm Bill.

I would also comment that I also live on a farm, which is a century farm. Unfortunately I'm not able to farm as my grandfather did and make a living at it, but the farm is still in the family and has been for 116 years, which I'm very proud of. Thanks for the opportunity.

ORION: Thank you for sharing with us tonight.

[Applause.]

ORION: We're going to the state of New Jersey now and Stephanie is waiting to talk to the Secretary. Where in New Jersey, Stephanie?

STEPHANIE from NEW JERSEY: Hi. I am in Flemington, New Jersey, and Hunterdon County. I'd like to say, it's a privilege, and thank you very much for taking

my call.

I am woman cattle producer in Flemington, New Jersey. And my comment is, I feel that it's misleading to the American public when beef is sold in our local market stamped By USDA when it's really Canadian beef. And I'd like to see some issue addressed about that in the 2007 Farm Bill, about the cattle labeling of the meat.

And my second comment is also on the DCP program is always paid on prior based history that you've planted on your farm. And it's hard when you are a hay producer for your cattle to get any base history built up to receive a DCP payment. And I'd like to see that program work for cattle producers though the USDA programs to help us get a payment through the DCP paid program.

ORION: Okay. Thank you very much. I'm not quite sure I understand USDA grade?

SEC. JOHANNIS: Yeah. They do grading, and they can put a stamp on it. Until there was so much border disruption worldwide because of the BSE incidents as you know it was a pretty free flow of commerce between our two countries. Oftentimes an animal would be born in one country, shipped to another country, fed to a certain weight, shipped back to another country. So that animal might have been in a couple of countries two or three times during its life cycle. Then when it is processed, it is graded, it is stamped with the USDA label, and what she is saying is, well wait a second here. If that came over from another country, should you be using the USDA label?

Now very interesting issue, because again that animal may have spent very little time in that other country. It might have been fed out here. Now some of that is changed as the BSE issue kind of blew up, and that's part of the litigation to try to get that straightened out. But very interesting issue.

The other thing that she probably references is the country of origin labeling issue, which is -- that's a hot topic. Even in the industry there really isn't consensus on whether that's a good idea or not a good idea.

ORION: One more call. We're going to Louisiana. Charles, you have the privilege of being the final caller on this first Farm Bill Forum.

CHARLES in LOUISIANA: Yes. Thanks for the opportunity. Thanks Mr. Johanns. I'm a rice grower in Southern Louisiana near Crowley. Mr. Samuelson was here at a forum a few weeks ago I think.

ORION: Yes, I was. Learned a lot about rice and crawfish.

CHARLES in LA: Thanks for being here. My comments are, tonight you had a lot of comments on increasing funding. As a rice grower, regaining lost markets such as Iran and Cuba would lessen the need for subsidies. Using grain embargoes as a weapon,

in my mind, have not been successful because each country embargo has found other suppliers. And that's my comment.

ORION: Thank you very much. And you know what?

SEC. JOHANNNS: Out of time?

ORION: Our time has gone. So I have, before you make some final comments I would just like to say two or three things. First of all, I hope this has lived up to your expectations and that it has encouraged you to continue doing what we've started here tonight.

SEC. JOHANNNS: It has. It's been a great evening.

ORION: Well, we were in Washington with Farm Broadcasters in May when you made the announcement that you were going to do this. And I think all of us in the farm broadcasting industry were encouraged by it. And now that we have the first one concluded, you'll be traveling to North Dakota, to Minnesota and to Wisconsin, and then more dates coming up.

But as I said in the beginning when I introduced you, I look for some of the unique talents that individuals bring to that cabinet position, and the first one I noticed about you is you're a good listener. And you've proven that again because I think one of the things you said was that in your political life, the door is always open. And I trust it will continue to be. And so I've opened the door for you to make your final comments, and they tell me you've got two minutes.

SEC. JOHANNNS: Yes, I do. (Laughs)

ORION: And the red light will come on.

SEC. JOHANNNS: Yeah, I get two minutes like everybody else to wrap this up. I want to wrap up first by saying to Orion, thank you very much.

ORION: You're welcome.

SEC. JOHANNNS: It was some months ago when the Farm Broadcasters were in the office that we surfaced this idea of doing the forums across the country. And now we have one under our belt, and it has met and exceeded not only my expectations but I know everyone's expectations that has worked on this effort. So we appreciate it.

I also want to if I might say thank you to the commissioners. Boy, have they been true and faithful. They are still here. And thank you. They do a great job in their states. The USDA could not be an effective federal agency without folks like this, so we appreciate that.

RFD-TV has done a wonderful job.

But most importantly to the people who have been here in the studio tonight and to the people across America who have listened in or called in, we appreciate your thoughts and your ideas.

I have made a list of things that I'm interested in. We have people who have been taking notes and listening in. This does become the platform upon which we start to talk about farm policy for the next Farm Bill.

We do head off to the Midwest, but that's not the last of the Farm Bill Forums. It will be across America in the months ahead.

Probably the last comment I would make is that comment about the world changes, and the world does change. We talk about ethanol today very easily when quite honestly 20 years ago it would not even have been in a Farm Bill discussion. The whole concept here is to flesh out the future, to prepare ourselves so we get the right Farm Bill in place because this is a Farm Bill that when passed will extend into the next decade. And we want to do the right thing for these people in the blue jackets and the 4-H members and the young people that want to be involved in agriculture.

Thank you all. God bless you. God bless America.

[Applause.]

SEC. JOHANNNS: Thank you very much.

ORION: Mr. Secretary, one more invitation. When you have traveled the country, have done all of the Farm Bill Forums, come back here and summarize for us on RFD-TV what you've heard out there.

SEC. JOHANNNS: Okay. It's a deal.

ORION: Good. To all of you across America and to all of you here tonight, thank you so very much for being a part of this. It's been a proud night for RFD-TV, and just great to see this kind of discussion that is going to continue now for quite some time. So thank you all.

SEC. JOHANNNS: Thank you for being here. I really appreciate it. Thanks a lot.

ORION: And from Nashville, Tennessee, good night.

